

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

2 -----

3 JOINT LEGISLATIVE HEARING

4 In the Matter of the
5 2015-2016 EXECUTIVE BUDGET ON
HUMAN SERVICES

6 -----

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

9 February 4, 2015
10 9:34 a.m.

11 PRESIDING:

- 12 Senator John A. DeFrancisco
- Chair, Senate Finance Committee
- 13
- 14 Assemblyman Herman D. Farrell, Jr.
- Chair, Assembly Ways & Means Committee

15 PRESENT:

- 16 Senator Liz Krueger
- Senate Finance Committee (RM)
- 17
- 18 Assemblyman Robert Oaks
- Assembly Ways & Means Committee (RM)
- 19
- 20 Senator Simcha Felder
- Chair, Senate Committee on Children and Families
- 21
- 22 Assemblywoman Donna Lupardo
- Chair, Assembly Children and Families Committee
- 23
- 24 Senator David Carlucci
- Chair, Senate Committee on Social Services
- 25
- 26 Senator Susan Serino
- Chair, Senate Committee on Aging

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Human Services
2 2-4-15

3 PRESENT: (Continued)

- 4 Assemblywoman Michele R. Titus
- 5 Senator Diane J. Savino

6 Assemblyman Andy Goodell
7 Senator Velmanette Montgomery
8 Assemblywoman Ellen Jaffee
9 Assemblywoman Shelley Mayer
10 Senator Catharine Young
11 Assemblyman David Weprin
12 Assemblywoman Vivian E. Cook
13 Senator Rich Funke
14 Assemblywoman Patricia Fahy
15 Assemblyman Jefferson L. Aubry
16 Senator Terrence P. Murphy
17 Assemblyman Keith Wright
18 Assemblywoman Maritza Davila
19 Senator Timothy Kennedy
20 Assemblyman Brian Kavanagh
21 Assemblyman Felix Ortiz
22 Senator Daniel Squadron
23 Assemblywoman Earlene Hooper
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4 Senator Brad Hoylman
5 Assemblywoman Michelle Solanges
6 Assemblyman Clifford Crouch
7 Assemblywoman Latrice Walker
8 Assemblyman J. Gary Pretlow
9 Senator Jesse Hamilton
10 Assemblywoman Roxanne Persaud
11 Assemblyman N. Nick Perry

12 Assemblyman William Scarborough
13 Assemblywoman Jo Anne Simon

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1 CHAIRMAN DeFRANCISCO: Pursuant to the
2 State Constitution and Legislative Law, the
3 fiscal committees of the State Legislature
4 are authorized and have always held hearings

5 on the Executive Budget proposal. Today's
6 hearing will be limited to a discussion of
7 the Governor's proposed budget for the Office
8 of Children and Family Services, the Office
9 of Temporary and Disability Assistance, the
10 Department of Labor and the Office for the
11 Aging.

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

16 We have here, on behalf of the Senate,
17 Senators Felder, Funke and Murphy.

18 And Senator Krueger?

19 SENATOR KRUEGER: Good morning. And
20 I'm Liz Krueger, ranking member of Finance,
21 and I'm joined by Senator Diane Savino.

22 CHAIRMAN FARRELL: With us,
23 Assemblywoman Lupardo, Assemblyman Wepri n and
24 Assemblyman Oaks.

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1 ASSEMBLYMAN OAKS: Yes, and we're
2 joined by Assemblyman Goodell.

3 CHAIRMAN DeFRANCISCO: Okay. The
4 speakers will be limited as to the amount of
5 time. Depending upon the nature of your
6 testimony, some are 30 minutes, some are
7 10 minutes, depending upon whether you're a
8 commissioner or acting commissioner or the
9 like.

10 There's a lovely clock in front to

11 give you a rundown. It's always a good idea
12 to keep an eye on it so you can get
13 everything you want to get in.

14 You know, we've been doing these for
15 some time now. If there's a chance, when a
16 question is asked, to make an answer somewhat
17 succinct so the whole questioner's time
18 doesn't get used up, that moves things along
19 quickly, and then they can ask a follow-up
20 question if they like.

21 And the Senators and Assembly people
22 already know that they start off with seven
23 minutes. If they want to ask more than that,
24 they go to the end of the list, so everybody

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1 gets one shot at the apple -- or one shot at
2 the witness, I guess.

3 The first witness is Roberto Velez,
4 acting commissioner of the New York State
5 Office of Children and Family Services.

6 CHAIRMAN FARRELL: We've been joined
7 by Assemblywoman Jaffee.

8 CHAIRMAN DeFRANCISCO: Okay.

9 ACTING COMMISSIONER VELEZ: Thank you
10 very much.

11 Good morning, Chairman DeFrancisco,
12 Chairman Farrell, Children and Family
13 Committee Chair Senator Felder, Assembly
14 Children and Families Chair Lupardo, and
15 distinguished members of the Senate and
16 Assembly. My name is Roberto Velez, and I am

17 the new acting commissioner of the New York
18 State Office of Children and Family Services.

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

23 Last month, the Governor received a
24 comprehensive report from the Independent

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1 Commission on Youth, Public Safety and
2 Justice. The commission was comprised of a
3 distinguished group of experts including
4 district attorneys, law enforcement,
5 advocates, and hundreds of other critical
6 stakeholders. Its report, which took more
7 than one year to prepare, contains their
8 unanimous recommendations on how best to
9 Raise the Age of juvenile jurisdiction,
10 improve outcomes for youth, and promote
11 community safety.

12 New York is one of only two states in
13 the nation whose age of criminal
14 responsibility, the age at which youth are
15 treated as adults, is just 16 years old. In
16 2013, more than 33,000 16- and 17-year-olds
17 in New York had their cases handled in adult
18 criminal court, where they were less likely
19 to receive the services they needed.

20 The Governor's juvenile justice reform
21 agenda calls for raising the age of juvenile
22 jurisdiction to get 16- and 17-year-olds out

23 of the adult system so that they can receive
24 appropriate rehabilitative services and no

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1 longer be housed with the adult prison
2 population.

3 The FY 2016 Executive Budget reflects
4 the first steps in this reform. The
5 investment of \$25 million to plan, create and
6 expand services, including diversion and
7 probation services for 16- and 17-year-old
8 youth, is a key component of this reform.

9 To support this initiative, the
10 proposed budget increases the OCFS facilities
11 capital appropriation by \$110 million. This
12 funding will allow OCFS to expand existing
13 residential capacity and create new capacity
14 to support the acute needs of this population
15 in our juvenile facilities.

16 Raise the Age will also impact local
17 social services districts. Sixteen- and
18 17-year-old youth awaiting trial will be
19 detained in juvenile detention facilities
20 instead of local jails. While the state will
21 continue to promote and encourage
22 alternatives to detention programming,
23 additional funding is needed to increase
24 capacity at locally administered detention

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1 facilities. The Governor's budget increases
2 the detention capital appropriation by

3 \$5.4 million to provide local districts with
4 100 percent state reimbursement of approved
5 capital costs for detention facility
6 expansions related to this initiative.

7 In addition, as part of the Governor's
8 commitment to refrain from imposing unfunded
9 mandates on local governments, the Raise the
10 Age proposal will provide for 100 percent
11 state funding for other placement, detention
12 and child welfare services costs resulting
13 from changing the age of juvenile
14 jurisdiction.

15 The Executive Budget provides
16 \$41 million in state funding for New York
17 City's Close to Home initiative. This
18 appropriation supports ongoing non-secure
19 programming and the implementation of limited
20 secure programming for juvenile delinquents
21 in the care and custody of the New York City
22 Administration for Children's Services.

23 The Executive Budget continues
24 critical investments in the childcare subsidy

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1 program by maintaining the FY 2015 level of
2 \$794 million. This will continue to provide
3 low-income working families access to
4 affordable childcare and support the ongoing
5 costs faced by daycare providers, who are an
6 essential part of New York State's small
7 business community.

8 The Governor's budget recommends

9 \$635 million to continue uncapped, open-ended
10 support for child welfare services. This
11 will provide 62 percent state reimbursement,
12 in addition to other available federal funds,
13 to support child protective, child
14 preventive, aftercare, independent living,
15 and adoption services. This critical
16 investment supports local departments of
17 social services, and provides funding for our
18 child welfare partners in not-for-profit
19 agencies throughout the state.

20 The proposed budget includes
21 \$444 million in Foster Care Block Grant
22 funding. Local districts continue to be able
23 to reinvest any unused funds in the next
24 fiscal year to support locally designed child

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1 welfare initiatives that strengthen
2 preventive services and enhance independent
3 living or aftercare services for high-needs
4 children.

5 The agency applauds the Executive
6 Budget proposal to better align state
7 statutes with the federal Preventing Sex
8 Trafficking and Strengthening Families Act of
9 2014. The act seeks to reduce the incidence
10 of sex trafficking among youth in foster care
11 and to promote normalcy in their lives.

12 OCFS has been working to increase
13 awareness about human trafficking by issuing
14 guidance documents and providing extensive

15 training to local districts throughout the
16 state. Research shows that a number of
17 trafficked individuals are children and youth
18 who may have had past involvement in the
19 child welfare system.

20 OCFS is continuing its work to
21 implement statewide strategies to better
22 identify trafficked youth and to improve
23 services for sexually exploited youth. These
24 efforts allow the state to continue to

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1 receive approximately \$600 million annually
2 in federal Title IV-E funding, the primary
3 source of federal funding for foster care
4 maintenance and adoption subsidies.

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

8 CHAIRMAN DeFRANCISCO: Senator Savino.

9 SENATOR SAVINO: Thank you,
10 Mr. Chairman.

11 Good morning, Commissioner -- Acting
12 Commissioner? You're acting commissioner --

13 ACTING COMMISSIONER VELEZ: Yes, I am
14 acting commissioner.

15 SENATOR SAVINO: -- we actually
16 haven't confirmed you yet.

17 Nice to meet you, and I'm very happy
18 to hear your testimony and the commitments to
19 some of the programs that we're all very
20 concerned about.

21 I wanted to touch a bit upon two
22 issues that you talked about and that your
23 agency is either going to administer or help
24 administer. One of them I was responsible

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1 for drafting the legislation a few years ago,
2 and that's the Close to Home initiative.

3 So what I would like is kind of an
4 update on what's happening with Close to Home
5 in New York City. Have we moved forward with
6 expanding it to limited-secure programs? And
7 how do you think the raising the age of
8 criminal responsibility issue is going to
9 play into Close to Home, if at all?

10 ACTING COMMISSIONER VELEZ: Senator,
11 as of today, Close to Home youth are
12 currently provided residential services in
13 over 31 contracted residential programs. And
14 it's my understanding that the Close to Home
15 initiative is moving along, it's doing well.

16 As to the next phase, we're working
17 with the New York City Administration for
18 Children's Services in developing that plan.
19 So we're working closely with them at this
20 point.

21 SENATOR SAVINO: Do you know how many
22 young people are currently placed in a Close
23 to Home placement?

24 ACTING COMMISSIONER VELEZ: I don't

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1 know that offhand, but I can certainly get

2 back to you with that number.

3 SENATOR SAVINO: I'd like to know
4 that.

5 And I think one of the concerns we
6 have is I'm trying to figure out -- I read
7 the legislation. I'm trying to figure out
8 whether or not there are young people who
9 would be adjudicated under the new Raise the
10 Age, raising the age of criminal
11 responsibility, 16- or 17-year-olds who could
12 potentially be placed in limited-secure or
13 non-secure detention facilities that
14 currently house Close to Home placements
15 while they're awaiting trial. Is that a
16 possibility?

17 ACTING COMMISSIONER VELEZ: Well, at
18 this point, as in my testimony, this is a --
19 we've received the commission's report. The
20 Governor has unanimously adopted all the
21 recommendations. We're looking at it and
22 we're developing the plan. We're very intent
23 on making sure kids are diverted from the
24 system. But as to how it all works out, we

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1 are in the process of developing a plan. And
2 I very much would like to talk to you as we
3 develop this plan.

4 SENATOR SAVINO: I would like to have
5 that conversation. Because I notice that
6 you -- in your testimony you talk about the
7 young people that would be adjudicated, you

8 know, through the Family Court, now would be
9 placed in detention facilities. But the
10 question is, where are those detention
11 facilities? The state moved many of them
12 from upstate. That was the whole purpose
13 behind Close to Home, eventually was, you
14 know, bring kids closer to home.

15 So the question is do we have the
16 capacity, if we need to, to be able to place
17 these young people? And do we have the
18 support services that need to be put in place
19 while they're awaiting the adjudication of
20 whatever their trials are?

21 ACTING COMMISSIONER VELEZ: Yeah, I
22 understand your concerns about providing
23 appropriate programming, making sure that
24 children, you know, receive great

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1 programming. And I'm also concerned about
2 making sure they're safe and also our staff
3 are safe.

4 And this is a plan we're developing.
5 As to the -- it's a comprehensive report. It
6 took a year to develop. There are a lot of
7 recommendations. We would really have to
8 look at it closely to see how it will impact
9 our system. As of today, you know, I can't
10 tell you whether we're going to be opening up
11 homes here or facilities here or there. It's
12 a plan that we're developing.

13 SENATOR SAVINO: Well, we'll certainly

14 be talking about that more.
15 On a different note, this is something
16 you may not be aware of yet -- it's an issue
17 that we've been looking at in the foster care
18 and adoption world for quite a while -- the
19 record or the number of what we call failed
20 adoptions, children who are adopted out of
21 the foster care system and at the complete
22 closure of their case, there's no follow-up
23 services. And many of these children are
24 winding up back in the system because the

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1 adoption has not been successful.

2 Over the years, I've tried to get the
3 information from the administration, either
4 OCFS or ACS in the city, and their response
5 has always been they can't track it. Now,
6 they can track everything.

7 We need to do more -- and I'm not sure
8 if you're looking at it yet, but you should
9 put this on your radar screen. If we're
10 going to put all of our efforts into
11 permanency planning for children and we're
12 going to move them into adoptive placements
13 as soon as possible, then we have an
14 obligation to make sure they stay in that
15 home as long as possible and not just bounce
16 back into the system.

17 So I think that's something you should
18 kind of put on your radar screen and make
19 sure that the funding is available for these

20 programs that will support these adoptive
21 placements.

22 Thank you.

23 ACTING COMMISSIONER VELEZ: Senator, I
24 hear you, and it's something that is on my

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1 radar screen and I will look at. Thank you.

2 CHAIRMAN FARRELL: We've been joined
3 by Assemblywoman Titus, Assemblywoman Cook,
4 Assemblywoman Fahy, Assemblyman Jeff Aubry,
5 and Assemblywoman Shelley Mayer.

6 Assemblywoman Jaffee to ask questions.

7 SENATOR KRUEGER: We've also been
8 joined by Senator Tim Kennedy and Senator
9 Daniel Squadron. And Senator David Carlucci.

10 ASSEMBLYWOMAN JAFFEE: Thank you.

11 I wanted to ask a question regarding
12 the issue of childcare and childcare
13 subsidies. I have concerns about the current
14 level of childcare subsidies and whether or
15 not that funding -- as noted, 899.11 million
16 in childcare subsidies. That's flat. It's
17 the same as last year's, from what I
18 understand -- whether that is sufficient to
19 provide a response to the needs in our
20 communities.

21 We need to move forward and invest
22 further in childcare programs and childcare
23 subsidies. There are at least about 13,000
24 children who are eligible and waiting.

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1 CHAIRMAN FARRELL: I don't think your
2 mic on.

3 ASSEMBLYWOMAN JAFFEE: I'm sorry?

4 CHAIRMAN FARRELL: Is your mic on?
5 (Discussion off the record.)

6 ASSEMBLYWOMAN JAFFEE: What I was
7 discussing, if you didn't hear me, was the
8 issue and my concern about sufficient funding
9 for childcare subsidies.

10 The budget really is flat from last
11 year, and there are a significant number of
12 families awaiting the opportunity for
13 childcare subsidies. About 13,000 are
14 eligible and are on waiting lists.

15 And so I believe that if we are going
16 to really invest in the future and provide
17 opportunities for children to be prepared and
18 ready for kindergarten and for academics in
19 school, it is essential that we provide the
20 opportunities for these families to assure
21 that their children are in childcare
22 programs.

23 You know, in a lot of the districts
24 the working families, they pay up to about

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1 35 percent at this point for their own
2 childcare costs. And this is an enormous
3 burden for them. So I wanted to ask, is
4 there a way that we could move forward and
5 increase, expand the investment, maybe to

6 over \$2 billion, each year increase it so
7 that we are prepared to assure that what
8 might be an estimated about 305,000 children
9 of working parents who are currently
10 eligible, will as we move forward have the
11 opportunity to assure that those families and
12 those children are provided the childcare
13 program in a manner in which they can afford,
14 and then they can work. This gives them an
15 opportunity to go to work, an opportunity to
16 keep families stable as well.

17 ACTING COMMISSIONER VELEZ: OCFS
18 considers childcare subsidies a priority, and
19 it's very important to us. Over the past
20 seven years, the state has either maintained
21 or increased the childcare subsidy allocation
22 to the local service districts even though
23 we've seen a significant reduction in federal
24 funds.

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1 It is something that's important, I
2 hear you, and it's something I will look at
3 as the new commissioner.

4 ASSEMBLYWOMAN JAFFEE: And hopefully
5 then we can then work together to increase
6 the funding for subsidies this year and as we
7 move forward. Because it certainly is a
8 challenge for many of our communities. And I
9 visit so many of these childcare programs,
10 and they have long waiting lists. And it's
11 really unacceptable for New York State to

12 have that situation exist. And it's a much
13 better way to move forward.

14 And thank you for your understanding
15 of that commitment. In order for our
16 families to move out of poverty and for us to
17 invest in the future, this is something that
18 is essential. And investing in childcare
19 generally is something that's important.

20 I'm pleased that the Governor has put
21 in the budget funding of \$3 million for
22 QUALITYstarsNY, because that is an
23 opportunity to expand the quality, certainly,
24 of the childcare programs that are available.

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1 I would love to expand that as well, in terms
2 of funding, to assure that those programs
3 that these children participate in are
4 excellent in terms of their ability to
5 prepare them for moving forward for academics
6 and for school and for social skills as well.

7 So I'm looking forward to
8 working with, you know, hopefully the
9 Assembly and the Office of Children and
10 Family Services and improving the quality of
11 childcare settings across the state and
12 expanding opportunities for the subsidies.

13 ACTING COMMISSIONER VELEZ: I'm aware
14 of your concerns about this area, and I want
15 to let you know that I will look at this.

16 ASSEMBLYWOMAN JAFFEE: Thank you.

17 CHAIRMAN FARRELL: Assemblywoman

18 Davila and Assemblyman Wright have joined us,
19 separately.

20 CHAIRMAN DeFRANCISCO: Senator
21 Squadron.

22 SENATOR SQUADRON: Thank you very
23 much.

24 And thank you, a lot of big issues

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1 today that my colleagues are asking about. I
2 just want to ask briefly about home visiting
3 programs, both the Healthy Families and
4 Nurse-Family Partnership program, where I
5 note that especially on the Nurse-Family
6 Partnership side there's no TANF funding and
7 no increase in funding.

8 Is OCFS sort of of the view that the
9 Nurse-Family Partnership program -- I'm sure
10 you're familiar with it, an evidence-based
11 program that changes lives and saves the
12 state money over time -- is sufficiently
13 funded at its current level and serving
14 enough families?

15 ACTING COMMISSIONER VELEZ: I'll relay
16 your concerns about the Nurse-Family
17 Partnership -- it's the Nurse-Family
18 Partnership? I'll relay that.

19 But I also want to let you know that
20 at OCFS we have the Healthy Families NY
21 program where it's 36 programs throughout the
22 state and we're serving more than 6,500
23 families and it's doing over 176,000 visits.

24 And this OCFS program is doing well, and I

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1 think it's really helping the families of
2 New York State.

3 SENATOR SQUADRON: And is there an
4 increase proposed for that program?

5 ACTING COMMISSIONER VELEZ: Not sure.
6 But it's a program that I think is doing
7 well, and I'll get back to you on that.

8 SENATOR SQUADRON: Is it serving all
9 of the eligible and interested families?

10 ACTING COMMISSIONER VELEZ: It
11 served -- what's that?

12 SENATOR SQUADRON: Sorry. Is it
13 serving all of the eligible and interested
14 families?

15 ACTING COMMISSIONER VELEZ: Once
16 again, I'm not sure, but I can get back to
17 you on that.

18 SENATOR SQUADRON: Great. And how
19 many families did you say it was serving
20 again, give or take?

21 ACTING COMMISSIONER VELEZ: This is
22 36 programs throughout the state and serving
23 about 6,500 families.

24 SENATOR SQUADRON: Great. And the

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1 Nurse-Family Partnership program, which is
2 funded through some of the same funding
3 streams and has an even greater level of
4 evidence behind it, is serving about a third

5 that many, and I notice doesn't have an
6 increase here. I would strongly urge OCFS to
7 look at that as we get toward the 30-day
8 amendment.

9 There's no other program that does
10 more to save money for the budgets five and
11 seven and 10 years from now on all of these
12 other programs that we care so much about.
13 And by the way, on the juvenile justice,
14 Close to Home initiatives that have been such
15 a focus and are so promising in a lot of
16 ways.

17 So I would strongly urge expansion of
18 all the home visiting programs, but
19 particularly a focus on the Nurse-Family
20 Partnership program. Thank you.

21 ACTING COMMISSIONER VELEZ: Thank you,
22 Senator. And, you know, I've listened to
23 your concerns and I will take them back and
24 consider them.

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1 CHAIRMAN FARRELL: We've been joined
2 by Assemblyman Brian Kavanagh.

3 Next to question is Assemblyman Oaks.

4 ASSEMBLYMAN OAKS: Thank you,
5 Chairman.

6 Just a few questions, back to the
7 whole issue of the age of criminal
8 responsibility and how we envision the
9 Governor's proposals to work.

10 You'd mentioned a number, 33,000

11 cases, juvenile cases. How many of those
12 33,000 end up in jail and/or prison?

13 ACTING COMMISSIONER VELEZ: We are --
14 as I said, the Raise the Age Commission
15 developed a very comprehensive proposal. The
16 Governor has accepted all these
17 recommendations. I'm in the process of
18 reviewing all that and developing the plan.

19 As to that, you know, I don't have an
20 answer. But as we develop the plan and share
21 this with all stakeholders, you know, that
22 will be discussed in the plan.

23 ASSEMBLYMAN OAKS: Do you have the
24 types of cases -- so I understand we're going

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1 to be shifting some of the cases out of
2 Criminal Court to Family Court. Are some of
3 the cases we're talking about misdemeanor
4 cases that would normally be held in the
5 Local Justice Court jurisdiction that now are
6 going to shift from the Local Justice Court
7 to the Family Court?

8 ACTING COMMISSIONER VELEZ: Once
9 again, it's a plan we are developing. It's
10 going to address those issues. So today, you
11 know, I can't answer that question.

12 But I'm hoping shortly that we will
13 develop that plan that will lay out how we
14 will deal with the courts, with our
15 facilities, and how we deal with implementing
16 the Raise the Age recommendations.

17 ASSEMBLYMAN OAKS: Thank you. Those
18 questions come out of local questions -- you
19 know, what's the impact going to be on the
20 local jail, what's the impact going to be on
21 the local Justice Courts, are there going to
22 be needs now for greater numbers of judges
23 within the court system if we're shifting
24 responsibilities from one to the other.

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1 So I appreciate you don't have the
2 answers for me today, but obviously there's a
3 lot of people looking for answers to those.
4 Thank you.

5 ACTING COMMISSIONER VELEZ: You know,
6 and all those are excellent questions. But
7 these are the exact questions we're trying to
8 answer and, like I said, develop that plan.

9 ASSEMBLYMAN OAKS: Thank you, Chair.

10 CHAIRMAN FARRELL: Thank you.

11 Senator?

12 CHAIRMAN DeFRANCISCO: Senator
13 Kennedy.

14 SENATOR KENNEDY: Thank you.

15 Good morning.

16 ACTING COMMISSIONER VELEZ: Good
17 morning.

18 SENATOR KENNEDY: Out in Western
19 New York in the last couple of years we've
20 had some very tragic deaths at the hands of
21 child abusers. We have called on the Office
22 of Children and Family Services to come to a

23 full-scale review and audit of the Erie
24 County Child Protective Services, and they

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1 have done so. I know that we continue to
2 work to make positive changes to Child
3 Protective Services in Erie County through
4 state legislation.

5 Also, there's the question of
6 resources that always come into play. And
7 part of the reforms that we're looking at are
8 ensuring caseworkers are highly qualified,
9 trained, able to spend the time it takes to
10 thoroughly investigate the reports of abuse
11 and maltreatment. And so as far as from a
12 resource perspective, what is OCFS doing to
13 ensure caseworkers have these resources that
14 they need to ensure a proper and thorough
15 investigation of these reports of abuse and
16 neglect?

17 ACTING COMMISSIONER VELEZ: Senator,
18 I'm aware of those issues. I'm very
19 concerned about the safety of all children
20 that come into our system. I do not want any
21 child to die or to not get the adequate
22 services in our system.

23 It's -- these are difficult issues,
24 and one that I think OCFS has done well. But

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1 this is the kind of -- I'd love to talk to
2 you about this, and in the coming months I

3 hope we can have meetings to discuss -- I
4 understand that more resources are needed for
5 these issues. That's something I'd like to
6 discuss. I understand that there's pending
7 legislation on these issues. Legislation,
8 it's something I can't discuss right now
9 because it needs to be looked at, you know,
10 by other groups.

11 But it's -- I would love to really,
12 like I said, in the coming months speak to
13 you about these issues and learn a little bit
14 more and share with you some of my thoughts
15 on how to address these issues.

16 SENATOR KENNEDY: And we will do that,
17 and I appreciate that very much. Obviously
18 we want to make a strong push for the budget
19 and the proper funding of these agencies at
20 this particular point in time.

21 Which brings me to the Healthy
22 Families NY program that you had brought up
23 earlier. Back in 2007, that program was
24 actually cut by 15 percent, and since then

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1 it's remained flat. I know there's a push by
2 childcare advocates not only in Western
3 New York, where I represent, but across the
4 state to increase this funding level by an
5 additional \$3.5 million to provide families
6 the access that they deserve for this
7 program.

8 Is there something that we can do to

9 ensure that OCFS allows for the ability for
10 these individuals to get out in front of this
11 abuse before it starts?

12 ACTING COMMISSIONER VELEZ: Once
13 again, I think this is an excellent program.
14 This is a program that I think is doing great
15 work. You know, I understand your concerns
16 about providing additional funding. And it's
17 something I'd like to talk to you about in
18 the coming months.

19 SENATOR KENNEDY: And then as far as
20 the Nurse-Family Partnership program, we
21 would like to see that out in Western
22 New York as well. I think it's something
23 that has proven to be effective, and we would
24 like to see this in Erie County.

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1 ACTING COMMISSIONER VELEZ: Senator,
2 it's my understanding that that's a
3 Department of Health program. But I will
4 take back your concerns and share them with
5 DOH.

6 SENATOR KENNEDY: Okay. So the
7 state-funded Workforce Development
8 Institute's --

9 ACTING COMMISSIONER VELEZ: The what?

10 SENATOR KENNEDY: The State Workforce
11 Development Institute's Facilitated Child
12 Care Enrollment Program -- are you familiar
13 with that program?

14 ACTING COMMISSIONER VELEZ: No, I'm

15 not.

16 SENATOR KENNEDY: Okay. Well, it
17 operates in the Capital Region, Oneida,
18 Monroe counties, providing childcare
19 subsidies to working families earning up to
20 275 percent of the federal poverty level.
21 It's additional funding that allows thousands
22 of working families who would otherwise not
23 qualify for assistance to have access to
24 quality affordable childcare.

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1 And I'm told that it would take
2 \$2.5 million to expand this program in Erie
3 County. It would be a modest investment that
4 would have a life-changing impact on
5 thousands of families. Right now what we're
6 finding is that there are individuals that
7 are impacted, especially single mothers, that
8 it doesn't make economic sense to go to work
9 when, you know, childcare costs are nearly as
10 much as their paycheck. And when you throw
11 in travel costs, food and related expenses,
12 it becomes an economic problem for them and
13 their families.

14 And so this is an investment that the
15 state can make that would have a very
16 positive impact on thousands of lives. I
17 think it's something that we need to look at
18 critically in the next couple of weeks.

19 ACTING COMMISSIONER VELEZ: Senator,
20 thank you for sharing that information. It's

21 something I will look at with my staff.
22 SENATOR KENNEDY: Thank you.
23 CHAIRMAN FARRELL: Assemblywoman
24 Lupardo.

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1 ASSEMBLYWOMAN LUPARDO: Yes, thank
2 you.
3 Thank you for being here. It's nice
4 to see you.
5 I have just a few quick questions for
6 you. One has to do with foster care
7 subsidies.
8 So the Executive Budget is providing a
9 \$13 million amount for a COLA for direct care
10 and direct support workers, foster and
11 adoptive parents. And out of that
12 \$13 million, \$8 million of it is part of the
13 foster care block grant to finance 50 percent
14 of the increased costs. The other 50 percent
15 will be given to the county social service
16 districts to carry.
17 Do you know how that amount will be
18 calculated? Clearly it's an unfunded mandate
19 that people are going to be not too happy
20 about. But do you know how much that
21 unfunded mandate will amount to and how that
22 will be calculated for our municipalities and
23 our counties?
24 ACTING COMMISSIONER VELEZ:

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1 Assemblywoman, I do not. But it's something
Page 30

2 we can get back to you.

3 ASSEMBLYWOMAN LUPARDO: I just want to
4 go on record that that's obviously, given the
5 squeeze that our counties are under, that's
6 going to be very difficult for them to bear.

7 ACTING COMMISSIONER VELEZ: And, you
8 know, I understand your concerns. And maybe
9 this is another discussion we can have in the
10 coming months so I can learn a little bit
11 more about these issues.

12 ASSEMBLYWOMAN LUPARDO: Great.

13 Are you familiar with the market rate
14 survey that your agency undertakes to
15 determine rates for providers across the
16 state?

17 ACTING COMMISSIONER VELEZ: I'm aware
18 of the issue. It's a complicated issue.

19 ASSEMBLYWOMAN LUPARDO: It is.

20 ACTING COMMISSIONER VELEZ: But once
21 again, it's something I need to learn more
22 about.

23 ASSEMBLYWOMAN LUPARDO: Well, maybe we
24 can put that on the list of things to

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1 discuss. Because in my county, for example,
2 when the market rate was just done, none of
3 my providers received an increase and we've
4 lost hundreds of slots as a result because
5 the rate hasn't kept up. So we'll put that
6 on the list.

7 And then I just have a general

8 philosophical question for you and something
9 to reflect back on the budget. We've heard a
10 lot of talk about pre-K, and now the Governor
11 has talked about bringing 3-year-olds into
12 the conversation, pre-pre-K. I don't really
13 see any evidence in the discussions on the
14 budget or throughout any of the documents
15 that we are doing anything for the zero to 3
16 group. And I was just curious what your
17 agency's commitment is to that essential age
18 group that honestly, if we're not putting a
19 substantial investment into, they're not
20 prepared for pre-, pre-K, school, careers and
21 the rest.

22 ACTING COMMISSIONER VELEZ: I know
23 OCFS is really concerned with providing that
24 continuum of care for young people all the

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1 way through to older people. As to that
2 specific -- you know, I don't -- I'm not
3 aware of what OCFS is doing with that
4 population. But once again, it's something I
5 will take back to my staff and discuss with
6 them.

7 ASSEMBLYWOMAN LUPARDO: Thank you.

8 CHAIRMAN FARRELL: Thank you.

9 CHAIRMAN DeFRANCISCO: Raise the Age.
10 You know what that is; right? Is that a yes,
11 because she's taking your --

12 ACTING COMMISSIONER VELEZ: Yes.

13 CHAIRMAN DeFRANCISCO: Okay. And you

14 understood that this is one of the important
15 issues in the Governor's budget; right?

16 ACTING COMMISSIONER VELEZ: Yes.

17 CHAIRMAN DeFRANCISCO: And you
18 probably assumed you'd get some questions
19 about it today; is that fair to say?

20 ACTING COMMISSIONER VELEZ: Fair to
21 say.

22 CHAIRMAN DeFRANCISCO: Okay. Under
23 the new bill, I'm 16 years old, I'm charged
24 with rape. And I'm arraigned at a Justice

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1 Court, as was mentioned by Assemblyman Oaks.
2 What happens next? Does the case continue to
3 be processed under the new law as a felony --
4 it's a violent serious felony -- or does the
5 case automatically go to Family Court?

6 ACTING COMMISSIONER VELEZ: I am, like
7 I've said before, developing the plan. At
8 this point I'm not sure what the steps are.
9 But know that as a person who's worked in the
10 juvenile justice field for a number of years,
11 I want to make sure that that 16-year-old is
12 put in the proper setting and given the
13 proper services they need.

14 CHAIRMAN DeFRANCISCO: Okay, that's
15 philosophicaly.

16 We have a bill that the Governor --
17 somebody from the Governor's office wrote,
18 and it's a lot of details, a lot of
19 information defining various felonies and so

20 forth. That's not subject to discussion. If
21 we're going to change it, it's subject to
22 discussion.

23 But in order to decide whether it
24 needs to be changed, we have to understand

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1 what the interpretation of the administration
2 is. And so that's why I'm asking you, as
3 acting commissioner. This was as available
4 to you as it was to me. And you knew you
5 were going to testify.

6 So do you know the answer or not?

7 ACTING COMMISSIONER VELEZ: Senator, I
8 do not know the answer. But we can get back
9 to you.

10 CHAIRMAN DeFRANCISCO: Well, that's
11 what this is for. That's what this is for.
12 Is there anybody, any of your people that
13 you're going to go to that would know the
14 answer?

15 ACTING COMMISSIONER VELEZ: Senator,
16 there is. And we will get back to you.

17 CHAIRMAN DeFRANCISCO: Okay. No, I'm
18 asking you this. Is there anybody in your
19 office, if you can give the name, who you're
20 going to go back to to get back to us?

21 ACTING COMMISSIONER VELEZ: And once I
22 do get -- that I can, you know, get back to
23 you and share that information with you.

24 CHAIRMAN DeFRANCISCO: All right. So

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1 you don't know the person who you're going to
2 go to to ask the questions to get back to us?

3 ACTING COMMISSIONER VELEZ: I would be
4 going to my general counsel, I would be going
5 to a couple of assistants. But --

6 CHAIRMAN DeFRANCISCO: Are they in
7 Albany today?

8 ACTING COMMISSIONER VELEZ: They are
9 here. But I would rather chat with them and
10 provide you a detailed and accurate answer.

11 CHAIRMAN DeFRANCISCO: How about if we
12 bring them in and ask them directly so we can
13 chat with them, so that we're prepared to
14 decide whether this is a good bill or a bad
15 bill or whether something should change or
16 that it's perfect? Are they in Albany today?

17 ACTING COMMISSIONER VELEZ: Senator, I
18 would commit to you to -- I don't -- you
19 know, I would love to have that discussion
20 with you, but at this point I just am not
21 sure if we would have enough time to really
22 give you an answer and a thoughtful answer at
23 this hearing.

24 CHAIRMAN DeFRANCISCO: Has anybody in

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1 your department read this bill?

2 ACTING COMMISSIONER VELEZ: Yes.

3 CHAIRMAN DeFRANCISCO: And are you
4 going to rely on their information to get
5 back to us as far as what it means?

6 ACTING COMMISSIONER VELEZ: The -- my
7 general counsel can get back to you.

8 CHAIRMAN DeFRANCISCO: Okay. How
9 about if he comes now, today. We're going to
10 be here all day and part of the night. Can
11 you call him if we -- with the consent of
12 everyone else here, what I'd like to do is to
13 get someone here that knows the answers to
14 the questions.

15 And it may be some other person that
16 we may need too, if you -- because you've
17 said an awful lot of times "I'll get back to
18 you," "I'll get back to you," "I'll get back
19 to you," to all the questioners so far.

20 So are there people -- and other
21 commissioners rely on other people, they come
22 with them to try to get specific answers.
23 Are there people that you can bring? We can
24 call the next witness or continue on other

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1 topics and see who else we need to come in.

2 Would you be willing to do that?

3 ACTING COMMISSIONER VELEZ: I would
4 very much want to make sure --

5 CHAIRMAN DeFRANCISCO: I know what you
6 want to do. I said are you able to.

7 ACTING COMMISSIONER VELEZ: There are
8 people -- my staff is sitting behind me.

9 CHAIRMAN DeFRANCISCO: Okay. Can you
10 see --

11 ACTING COMMISSIONER VELEZ: But I do

12 want to take your questions and look at them
13 and discuss it with them and provide you a
14 thoughtful, accurate answer that --

15 CHAIRMAN DeFRANCISCO: But these are
16 obvious questions that we would ask.

17 Is your general counsel here?

18 ACTING COMMISSIONER VELEZ: Yes, she
19 is.

20 CHAIRMAN DeFRANCISCO: Could she come
21 down? Would you be willing to have her come
22 down and answer these questions directly?

23 (Pause.)

24 CHAIRMAN DeFRANCISCO: Well, she's

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1 here. Are we trying to determine whether
2 she's here? Because no one's getting up.

3 ACTING COMMISSIONER VELEZ: My general
4 counsel is here.

5 CHAIRMAN DeFRANCISCO: Could she come
6 down and -- well, maybe we can ask her --
7 what's her name? -- if she'll come down.

8 ACTING COMMISSIONER VELEZ: Suzanne.

9 CHAIRMAN DeFRANCISCO: Okay.

10 OCFS GENERAL COUNSEL MILES-GUSTAVE:
11 Good morning.

12 CHAIRMAN DeFRANCISCO: And your name
13 is?

14 OCFS GENERAL COUNSEL MILES-GUSTAVE:
15 Suzanne Miles-Gustave.

16 CHAIRMAN DeFRANCISCO: Could you move
17 that mic up? The stenographer's got to get

18 the name. I couldn't hear it. Could you say
19 it again?

20 OCFS GENERAL COUNSEL MILES-GUSTAVE:
21 Suzanne Miles-Gustave.

22 CHAIRMAN DeFRANCISCO: Okay. Now, the
23 first question I had -- if you can't answer
24 them, fine, we'll go to another witness or

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1 whatever.

2 OCFS GENERAL COUNSEL MILES-GUSTAVE:
3 Sure.

4 CHAIRMAN DeFRANCISCO: But the first
5 question is I'm 16 years old, I'm charged
6 with rape, I'm brought to a justice court and
7 they arraign me on the rape. Does that case,
8 because the person is 16, automatically go to
9 Family Court under this new bill?

10 OCFS GENERAL COUNSEL MILES-GUSTAVE:
11 Nothing is automatic, sir. And there are
12 statements in that bill that we helped write.
13 We did not write that bill, we helped write
14 the bill. Because we managed much of this --
15 the juvenile justice aspects. Much of it is
16 managed by DCJS.

17 CHAIRMAN DeFRANCISCO: So it doesn't
18 automatically go to Family Court.

19 I'm the judge. What factors do I have
20 to consider to determine what I do with this
21 under this bill?

22 OCFS GENERAL COUNSEL MILES-GUSTAVE:
23 Well, much like my acting commissioner

24

stated, there is a plan that needs to be

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1 developed. As you know, this bill has not
2 been passed. They're recommendations.

3 CHAIRMAN DeFRANCISCO: All right,
4 never mind. Never mind. There's a bill.

5 OCFS GENERAL COUNSEL MILES-GUSTAVE:
6 Yes.

7 CHAIRMAN DeFRANCISCO: Somebody wrote
8 a bill that -- it doesn't have to be
9 developed, the Governor is asking us to pass
10 this bill. And we're trying to get someone
11 who understands what the bill does.

12 OCFS GENERAL COUNSEL MILES-GUSTAVE:
13 So the movement of the youth depends on the
14 crime they committed, it depends on the year
15 the bill is enacted. Sixteen-year-olds now
16 automatically go into the juvenile justice
17 system this year.

18 CHAIRMAN DeFRANCISCO: Well, we know
19 the crime, it's rape. We know the crime. We
20 know that we're talking about this bill and
21 assuming that it becomes law. So what else
22 did you need to know to answer that question?

23 OCFS GENERAL COUNSEL MILES-GUSTAVE:
24 So, sir -- I am not a criminal attorney. So

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1 the bill dictates which crimes can be
2 transferred, what discretion the DAs will
3 have. This is a very complex system. I
4 think your -- your --

5 CHAIRMAN DeFRANCISCO: All right.
6 Well, I probably can't support it if it's
7 that complex that the departments can't
8 explain it. So thank you for --

9 ACTING COMMISSIONER VELEZ: And,
10 Senator, this is where I'd like to take your
11 questions and try to get back to you as
12 quickly as possible with answers to help
13 this.

14 CHAIRMAN DeFRANCISCO: Okay. Are
15 there any other Senators or Assemblymen
16 asking questions?

17 You can go up if you like and we'll go
18 from there.

19 OCFS GENERAL COUNSEL MILES-GUSTAVE:
20 Sure.

21 CHAIRMAN FARRELL: Yeah, I've got a
22 lot of people here.

23 Assemblywoman Titus.

24 ASSEMBLYWOMAN TITUS: Yes,

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1 Commissioner. I wanted to take you back to
2 the Close to Home initiative. I know that
3 there's two phases. And the first phase has,
4 I guess, gone forth and we haven't approved
5 the second phase from New York City.

6 But can you explain to me the
7 relationship that OCFS and ACS has worked out
8 throughout the planning and transfer of this
9 process? I ask that question because the
10 community that I represent, we have already

11 had six of the non-secure facilities that
12 have opened. And I believe that they've
13 already identified a secure facility to open
14 in a couple of months, and there's no
15 community input. There's definitely
16 oversaturation of these facilities. And I
17 know there's been incidents of these
18 juveniles disappearing from the homes.

19 Can you describe the relationship that
20 you have with ACS?

21 ACTING COMMISSIONER VELEZ: OCFS is
22 working with ACS. ACS is taking the lead in
23 developing this plan. My understanding is
24 that they're working and hoping to finish

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1 something soon to show to us so we can look
2 at it and have some input.

3 I hear your concerns about safety,
4 about the children leaving the facilities.
5 Those concerns I will take back and share
6 with my staff and with ACS. And it's
7 important to me as well to make sure that a
8 facility is well-run, to make sure that the
9 residents are given the proper programing,
10 that they make sure that they stay in the
11 facility. I hear all those concerns, and I
12 will relay them back.

13 ASSEMBLYWOMAN TITUS: Okay, and I just
14 want to put on the record as we move forward
15 with the second phase, implementing the
16 secure facilities, that OCFS has much more

17 input, and the community also that they're
18 placing these facilities has input on what's
19 going to happen.

20 ACTING COMMISSIONER VELEZ: You know,
21 thank you for sharing that with me. I will
22 take that back. Thank you.

23 CHAIRMAN FARRELL: Senator?

24 CHAIRMAN DeFRANCISCO: Senator

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1 Krueger.

2 SENATOR KRUEGER: Thank you.

3 In your testimony you talked about the
4 issue of human trafficking of children in
5 foster care services. Can you explain to me
6 a little bit why we have children assigned to
7 foster care homes where they're then ending
8 up being trafficked while under the authority
9 of the state?

10 ACTING COMMISSIONER VELEZ: This is an
11 issue that's near and dear to my heart. It
12 is an issue that affects many, many women in
13 all different communities. It is my
14 understanding that there are children that
15 come into the foster care system who have
16 been involved in this world and continue to,
17 somehow. And it's our job and responsibility
18 to try to get those children away.

19 I think, as you're aware, it's a very
20 difficult process to really disentangle them
21 from this type of life. But it's an area,
22 like I said, that OCFS is working very hard

23 on and really focused on.

24 SENATOR KRUEGER: And so perhaps I

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1 misread your testimony. So it's not per se
2 you or a social service organization which
3 places a child into foster care and they end
4 up then being human trafficked from within
5 the context of their placement?

6 ACTING COMMISSIONER VELEZ: Once
7 again, each story varies and -- but my
8 understanding is that these kids come in with
9 those types of issues. And, you know, they
10 may face them as any child growing up in a
11 city with people trying to entice them into
12 this, you know, terrible lifestyle.

13 It's our job to really make sure that
14 we provide them the services to stay
15 connected with their family, stay connected
16 with the system and really help them
17 ultimately, hopefully, leave the foster care
18 system.

19 SENATOR KRUEGER: And in Part L of the
20 Article 7 legislation for your agency, it
21 proposes some statutory changes to state law
22 to comply with the federal Preventing Sex
23 Trafficking and Strengthening Families Act.
24 Can you tell me what changes we need to make

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1 to comply with the federal law?

2 ACTING COMMISSIONER VELEZ: Right now,

3 you know, I'm aware of this issue, but I can
4 get you that information.

5 SENATOR KRUEGER: Shifting to the
6 youth facility billing chargeback cap issue,
7 where the Executive is proposing capping how
8 much the localities have to pay for OCFS
9 youth facilities -- which I think is
10 terrific, it's a decrease in responsibility
11 to the localities on the cost, shifting them
12 to the state. I think it's clearly an
13 attempt to help with the issue of unfunded
14 mandates to the localities.

15 But then it also requires that, at
16 least for the City of New York, a share of
17 its savings -- projected, I believe, to be
18 \$220 million -- must be used for rental
19 assistance programs and other homeless
20 services. Where did that number 220 million
21 come from? Do you know how it was
22 calculated?

23 ACTING COMMISSIONER VELEZ: Once
24 again, you know, we are committed to really

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1 providing no more -- making sure there are no
2 more unfunded mandates.

3 As to that number, I don't know, but I
4 will get my staff to help me get an answer
5 back to you.

6 SENATOR KRUEGER: And then as a
7 follow-up question, are there any
8 requirements on any other counties about how

9 they use their savings? Because I found the
10 section about what New York City must do --
11 and by the way, I don't think I'm opposed to
12 encouraging, slash, assuring that the City of
13 New York put more money into rental
14 assistance programs and other homeless
15 services. But I do want to understand what
16 the state is actually mandating to New York
17 City and/or other localities while at the
18 same time saying that it's capping the costs
19 at the local level.

20 So I would appreciate your responses
21 afterwards for both of those questions.

22 And I guess, then, finally, OCFS will
23 then end up with the responsibility to
24 monitor what the localities are actually

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1 doing with these savings and ensuring that, I
2 guess, these savings are not -- what's the
3 word I want -- simply a replacement for local
4 funds already being put into these other
5 programs?

6 ACTING COMMISSIONER VELEZ: Senator,
7 I'm not familiar with what systems are in
8 place to monitor that. But that's -- once
9 again, I can look at it and get back to you
10 on that.

11 SENATOR KRUEGER: Okay, I appreciate
12 that.

13 I have two minutes, thank you.

14 So shifting to money being allocated

15 for the runaway and homeless youth funding,
16 how much money is in the state budget this
17 year for that program?

18 ACTING COMMISSIONER VELEZ: It's --
19 the runaway and homeless youth appropriation
20 for calendar year 2015 is \$2.3 million.

21 And OCFS is working on a plan to
22 enhance this funding. Once again, it's a
23 program that I'm very interested in, and I'm
24 hoping that we can enhance it.

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1 SENATOR KRUEGER: Okay, so it's
2 \$2.35 million and it's, I believe, a frozen
3 amount from previous years, but you just
4 voiced your desire to enhance it. How would
5 you enhance it if it's not part of the budget
6 proposal?

7 ACTING COMMISSIONER VELEZ: Well, it's
8 one of those issues that I would look at in
9 the long term. I would look at it to this
10 year and also long-term to see how I can
11 enhance the program. It's something that I
12 would get back to you on.

13 SENATOR KRUEGER: And does OCFS track
14 whether homeless youth are being turned away
15 at youth shelters and what happens to them
16 when they are?

17 ACTING COMMISSIONER VELEZ: I'm aware
18 of this issue. And this population is a
19 difficult population to really capture
20 accurate data for. There's fluctuations in

21 number, and whether we can really track them.
22 It's something that I want to work at and
23 look at closer when -- as -- in the next year
24 or so.

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1 SENATOR KRUEGER: Okay. I may have
2 some follow-up questions, or I have a
3 colleague who's running a little late who may
4 have some follow-up questions on this issue
5 if you have anybody with more answers.

6 Thank you.

7 CHAIRMAN FARRELL: Thank you very
8 much.

9 Mr. Wepri n.

10 ASSEMBLYMAN WEPRI N: Thank you,
11 Mr. Chair man.

12 Commi ssi oner, thank you for comi ng.

13 This past November, President Obama
14 signed the Childcare and Development Block
15 Grant into law, which renewed authority and
16 funding for the Childcare Development Fund
17 program, but it also provided for increased
18 transparency, additional training and
19 investments in early learning.

20 Can you explain the additional
21 requirements for the state? And will that
22 have any impact on our current budget?

23 ACTING COMMISSIONER VELEZ: You know,
24 we strongly support the intent of the act to

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1 protect children in childcare. And the

2 implementation of certain of these provisions
3 could be difficult, and we're reviewing it.
4 And at this point I'm not sure. But we need
5 to get back to you on that.

6 ASSEMBLYMAN WEPRI N: Well, will it
7 affect the amount of money that will be
8 available for childcare subsidies?

9 ACTING COMMISSIONER VELEZ: I'm not
10 sure at this point. We need to get back to
11 you on that.

12 ASSEMBLYMAN WEPRI N: Okay, if you
13 could add that to that long list.

14 Thank you.

15 CHAIRMAN FARRELL: Thank you.

16 CHAIRMAN DeFRANCISCO: Anyone else?

17 CHAIRMAN FARRELL: Mr. Goodell.

18 ASSEMBLYMAN GOODELL: Thank you,
19 Commissioner. And thank you, Counsel.

20 I had some more questions, if I might,
21 on the youthful -- I guess the program to
22 remove young children, 16- and 17-year-olds,
23 from the adult system.

24 Under this proposal, if a 17-year-old,

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1 for example, is charged with a crime that
2 would currently be treated by the adult
3 criminal court, under this proposal am I
4 correct that he instead would be adjudicated
5 in Family Court and would be, if convicted,
6 if you will, sent to a juvenile detention
7 facility? Am I correct that's how this

8 envisions this process to work?
9 ACTING COMMISSIONER VELEZ: I'm going
10 to -- Lee -- introduce yourself, Lee.
11 OCFS DEPUTY COUNSEL PROCHERA: Hi, Lee
12 Prochera. Let's see if I can help.
13 So it's going to depend upon the --
14 ACTING COMMISSIONER VELEZ: Lee, why
15 don't you let them know who you are.
16 OCFS DEPUTY COUNSEL PROCHERA: I'm one
17 of the deputy counsels at the Office of
18 Children and Family Services.
19 ASSEMBLYMAN GOODELL: Is your
20 microphone on, Lee?
21 OCFS DEPUTY COUNSEL PROCHERA: Can you
22 hear me now?
23 ASSEMBLYMAN GOODELL: Yes.
24 OCFS DEPUTY COUNSEL PROCHERA: So it's

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1 going to depend upon the crime that's
2 charged. So for serious violent felonies and
3 other felony charges, it would start in a
4 youth court that would be part of the
5 Superior Court, so it would be a portion of
6 the Criminal Court.
7 And then there are circumstances where
8 the judge and the DA could recommend removal
9 to Family Court. But the more serious crimes
10 would start in the criminal youth part.
11 ASSEMBLYMAN GOODELL: And what's the
12 maximum adjudication? Is it to a juvenile
13 detention facility?

14 OCFS DEPUTY COUNSEL PROCHERA: So if
15 they are charged as a juvenile offender and
16 convicted, they would be placed initially in
17 an Office of Children and Family Services
18 program, depending upon the age at which
19 they're sentenced. So if they're sentenced
20 before they're 21, they would be placed in an
21 OCFS program. If they're sentenced after
22 they're 21, they would go to a DOCCS program,
23 a Correctional Services program.

24 ASSEMBLYMAN GOODELL: So if they're

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1 under age 21 when they're sentenced, they
2 would go into one of your facilities.

3 OCFS DEPUTY COUNSEL PROCHERA:
4 Correct.

5 ASSEMBLYMAN GOODELL: And they can
6 only stay there until they're age 21?

7 OCFS DEPUTY COUNSEL PROCHERA: It's
8 written so that they would stay for a
9 two-year period to get services. And then if
10 they are still young enough that they could
11 complete their post-release supervision with
12 OCFS before they turn 23, OCFS would do the
13 post-release supervision. If they couldn't
14 complete by then, they would go to DOCCS.

15 ASSEMBLYMAN GOODELL: And am I correct
16 that this proposal would relate to those
17 charges that included designated felony acts
18 like murder in the first degree, murder in
19 the second degree, kidnapping in the first

20 degree, arson in the first degree, sexually
21 motivated felony, those charges?

22 OCFS DEPUTY COUNSEL PROCHERA:

23 Correct.

24 ASSEMBLYMAN GOODELL: And so if a high

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1 school senior, just as an example, in a
2 premeditated act went to a high school, shot
3 and killed dozens of his colleagues or his
4 classmates, under this program he would be
5 sentenced -- assuming he's sentenced before
6 he's 21 -- to one of your facilities and
7 would serve a maximum of two years?

8 OCFS DEPUTY COUNSEL PROCHERA: So the
9 sentence would still be for murder. The
10 maximum is still life. So they would spend
11 the first two years with OCFS and then be
12 transferred to DOCCS for the remainder of
13 their sentencing.

14 ASSEMBLYMAN GOODELL: So this does not
15 affect the length of the sentence for any of
16 those designated felony acts?

17 OCFS DEPUTY COUNSEL PROCHERA: So for
18 Class A felonies, it does not change what are
19 the current requirements for the acts. It
20 switches for other, Class B and below, to
21 determinate sentencing. Right now it's
22 indeterminate sentencing.

23 ASSEMBLYMAN GOODELL: So if it's a
24 Class A felony, the only practical effect is

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1 they spend the first two years in a juvenile
2 detention facility operated by you, with all
3 the other youth that are charged and
4 convicted of much lesser offenses? Is that
5 what we're doing, we're taking the most
6 serious violent young offenders, and instead
7 of putting them into an adult facility to
8 serve a sentence of life imprisonment, we put
9 them in a youth facility?

10 How does that help the remaining youth
11 that are in that facility? Or are you going
12 to segregate them?

13 OCFS DEPUTY COUNSEL PROCHERA: So it
14 calls for OCFS to develop smaller, more
15 contained facilities so there will be some
16 opportunities to place similarly convicted
17 people in the same kind of facilities.

18 ACTING COMMISSIONER VELEZ: And this
19 is the plan we're developing. OCFS has had
20 experience in dealing with those kids. And
21 we will have programming in effect to really
22 help those children. And that's the plan
23 we're developing now.

24 ASSEMBLYMAN GOODELL: Does this have

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1 any impact on youth that are charged with
2 misdemeanors? Do town courts still maintain
3 primary jurisdiction over misdemeanor
4 charges?

5 OCFS DEPUTY COUNSEL PROCHERA: No. So

6 misdeemeanor charges would now go through the
7 Family Court.

8 ASSEMBLYMAN GOODELL: So we would take
9 all the little town courts -- I mean, in a
10 rural county like mine, I've got to be honest
11 with you, those town judges, they not only
12 know the kids, they know their siblings,
13 often their parents.

14 So we're going to take them out of the
15 picture and instead centralize all these
16 misdeemeanor cases on the county level or in a
17 youth court on the superior level? Is that
18 this proposal?

19 OCFS DEPUTY COUNSEL PROCHERA: They
20 would be treated in Family Court. Many of
21 them come through the Family Court system
22 beforehand, so the Family Courts know a lot
23 of the youth and families as well.

24 ASSEMBLYMAN GOODELL: So we're

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1 converting Family Courts from a focus on
2 helping families that are in need with
3 support, custody, visitation, and now we're
4 throwing on top of the Family Court caseload
5 all the misdemeanor trials?

6 OCFS DEPUTY COUNSEL PROCHERA: They
7 already do that for all the youth who are
8 under 15. This would add the 16- and then
9 the 17-year-olds.

10 ASSEMBLYMAN GOODELL: I see. Changi ng
11 the subject a little bit, in my county the

12 211 program has been extraordinarily
13 effective, particularly in the event of a
14 national disaster of some sort, because
15 people who don't normally interface with
16 social services agencies can quickly call 211
17 and get help.

18 I see there is a cut in funding for
19 the 211 program in the budget. Would you
20 address why we want to cut that program? And
21 I'm just saying from my perspective, in my
22 district, it has been a very, very effective,
23 cost-effective program that helps people
24 access these programs. Can you give me some

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1 sense of why we want to cut it?

2 ACTING COMMISSIONER VELEZ: It sounds
3 like a program that does certain good things.
4 It is -- the budget is always a difficult
5 process. There are many competing interests.
6 And I hear your concerns, and I will take
7 them back. I don't know exactly why they cut
8 it but, you know, I will look at it.

9 ASSEMBLYMAN GOODELL: Thank you. And
10 thank you for bringing up your staff. That's
11 been very helpful.

12 CHAIRMAN DeFRANCISCO: Senator Savino.

13 SENATOR SAVINO: Thank you,

14 Mr. Chairman.

15 Commissioner, I just want to start out
16 by saying, with respect to Raising the Age,
17 it's an issue I've been a passionate advocate

18 for for a while. And we have a very unique
19 opportunity right now here in New York.

20 You know, many people don't realize
21 that the age of criminal responsibility in
22 New York State was established more than
23 100 years ago. When you think about what a
24 16-year-old was a hundred years ago, they

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1 were getting married, they were having
2 children, they were adults. That's not the
3 case now.

4 In 1965, I think when the Family Court
5 Act was passed, the Legislature deadlocked on
6 raising the age of criminal responsibility
7 then. It has been 55 or 50 years since that
8 happened. We are on the precipice right now
9 of finally righting a terrible injustice.
10 Children don't belong in prison.

11 But if you can't convince those of us
12 who are sitting up here about what the
13 content of that legislation is, it could be
14 another 50 years before we take a look at
15 this issue.

16 So I would urge you -- I would beseech
17 you to find a way to be able to compel all of
18 us up here with the questions that we have of
19 what is exactly in this proposed legislation
20 that the Governor has put forth in his
21 budget. Because if we don't do it now, we
22 may never get a shot to do it again.

23 There's a lot of questions. And I've

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read through the bill. I have a lot of

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1 questions about, you know, what happens when
2 a young person is brought into court. Where
3 do they go at that point?

4 I notice in the legislation it talks
5 about OCFS -- children who are awaiting trial
6 will be placed in OCFS detention facilities.
7 To what I heard, they don't exist yet. And
8 where will they be? And who is going to
9 supervise them? Are we talking about
10 contracting them out to nonprofits to oversee
11 them? I hope that's not the case. I
12 sincerely hope that the state is going to
13 take responsibility for these young people.
14 I hope we're not going to put them into Close
15 to Home facilities or to other youth group
16 homes where there could potentially be
17 problems between the youth that are in there.

18 I don't see the answers to those
19 questions here today, and I'm very concerned
20 that if we don't get them soon, we're not
21 going to be able to raise the age of criminal
22 responsibility. That would be a tragedy, in
23 my opinion.

24 ACTING COMMISSIONER VELEZ: Senator --

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1 SENATOR SAVINO: That's less of a
2 question and more of a statement.

3 ACTING COMMISSIONER VELEZ: Senator, I
4 hear your concerns and I am working with my

5 staff on developing this plan. I want to
6 make sure we provide a program that we can be
7 proud of, a program that ensures that these
8 16- and 17-year-olds get the proper
9 programming, ensure that they really do get a
10 good day of school, to make sure they get the
11 programs necessary for them to really
12 hopefully one day leave the system.

13 I hear you, and we will work to really
14 begin this process of sharing this
15 information with you.

16 SENATOR SAVINO: Well, you've got a
17 couple of weeks. So I would suggest that you
18 all get answers and get them to us. You've
19 heard many of the concerns that people have
20 raised here, so you know what we're worried
21 about. Who are the young people who are
22 going to be adjudicated under this program
23 now? What kind of crimes are they going to
24 be considered for? Where will they be placed

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1 while they're awaiting trial? What level of
2 services are going to be put in place to help
3 them? Because ultimately we don't want them
4 to graduate to the adult prison when they
5 become adults legally.

6 So those are concerns that we have.
7 We need those answers hopefully by April 1st
8 so we can finally move New York State
9 forward. It's a shame that we are one of the
10 last states in the country to recognize that

11 16-year-olds and 12-year-olds and
12 14-year-olds are not adults.

13 ACTING COMMISSIONER VELEZ: And the
14 commission recommendations clearly agreed,
15 and it's now -- it's our opportunity to
16 develop that plan.

17 SENATOR SAVINO: Well, let me just,
18 finally -- you have my vote. You've got to
19 get everybody else's. And if they have
20 questions, you may not have them.

21 So here's our chance to right this
22 wrong, and you have a few weeks to convince
23 everybody that you have the answers that
24 they're seeking.

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1 Thank you.

2 ACTING COMMISSIONER VELEZ: Thank you.

3 CHAIRMAN FARRELL: Thank you.

4 Assemblyman Aubry.

5 ASSEMBLYMAN AUBRY: They're always
6 dead when you want them, right?

7 Commissioner, I guess I would want to
8 say congratulations and condolences at the
9 same time.

10 (Laughter.)

11 ASSEMBLYMAN AUBRY: If this isn't a
12 baptism by fire, I don't know what one is.

13 (Laughter.)

14 ASSEMBLYMAN AUBRY: I share the same
15 concerns as my colleagues. And I must say to
16 you, you keep saying months, but we have less

17 than months. We're in February, and we have
18 to act in March. So there's not a lot of
19 time, and there's no other known public forum
20 to discuss these issues. This is it.

21 So the people of the State of New York
22 have the opportunity to look at this and
23 listen to debate relative to what -- and
24 discussion of what this is. We're denying

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1 them that under these circumstances that you
2 have provided.

3 It is clear someone knows in the
4 administration what this bill does and
5 doesn't do, and they should have been brought
6 here to answer those questions. That's a
7 failure on the part of the administration to
8 honor the process that we're in. And at the
9 same time, we're under the pressure of
10 stopping government if we don't agree. And
11 since you've put legislation in the budget --
12 and that's your prerogative as an
13 Executive -- you should have the same
14 responsibility to provide full access to
15 discussions about what that legislation is.

16 And this particular bill, and the
17 Raise the Age is so critical. We've been
18 talking about this for years. It isn't new.
19 It isn't a new concept. The rest of the
20 country is already doing it, and we're
21 fiddling around with, you know, sleights of
22 hand and theories and maybe this and -- it is

23 infuriating to have to deal with our children
24 in this manner.

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1 And those children, those 33,000 that
2 have been there and the 33,000 that were
3 there 10 years ago, are all suffering under
4 the processes that we now have. And they are
5 ending up in our streets again and are grist
6 mill for the penal system.

7 So our responsibility is great here. We
8 can change the nature of communities if we do the
9 right thing. But we can't do that if we don't
10 have an honest, forthright discussion on these
11 issues in a timely manner. So I just add my
12 words to that.

13 I'm also concerned about whether or not
14 there are going to be restrictions to the use of
15 SHUs, special housing units, or controls on how
16 they're used in the facilities that you're
17 proposing, as well as for those young people who
18 are convicted in this case and sent to adult
19 prisons. Both situations are intolerable. The
20 use of it has been condemned by the United
21 Nations. And yet we still continue to have to be
22 sued in order to cease that activity in our penal
23 institutions.

24 So at least let me know whether or not

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1 there's a contemplation of abandoning or not
2 using the special housing unit procedure that we

3 currently have.

4 ACTING COMMISSIONER VELEZ:

5 Assemblyman, I am concerned about providing
6 proper programming and making sure that our
7 youth are treated appropriately. We have a
8 model in place at OCFS facilities. It's the
9 New York model. I think it is -- it is -- we
10 have experience in using it. It is, I think,
11 one that will really help us plan for the
12 future. And like I've said, we are beginning
13 to look at this, seeing how this would impact
14 our system, seeing whether there will be a
15 need for an expansion, seeing if there will
16 be a need to develop -- to grow in our
17 system. We're working on that, and I'm
18 hoping at one point to share that with you.

19 ASSEMBLYMAN AUBRY: Again, the point
20 is arriving where we will have no other
21 choice but to act or not act. So your time
22 to develop and expand is -- you know, I
23 understand, maybe that's appropriate. Maybe
24 that's what you need. But you have us under

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1 the gun.

2 So if you're not ready to have us
3 vote, then remove it from the Article 7s so
4 that we have time to be more deliberative
5 about what it is as partners in this process.
6 Right now it feels like we're the -- you
7 know, being hammered in the process to make
8 decisions about these young people, and

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9 they're our responsibility as well as the
10 Executive's.

11 So I'm just unhappy that -- you know,
12 this idea that we've got to do it in this
13 short time frame, when nobody seems to have
14 the kind of answers necessary, is unfair to
15 us and unfair to those young people because
16 the entire state does not get an opportunity
17 to decide their fate and their future.

18 You also indicate, I believe, in at
19 least the description of what the bill is,
20 that there will be the ability for these
21 young people to have their records sealed
22 conditionally. And I presume that
23 "conditional" means that it is other than for
24 law enforcement purposes. Is that true?

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1 OCFS DEPUTY COUNSEL PROCHERA: Yeah.
2 And again, I would suggest that you might
3 want to ask the DCJS more about that when
4 they're here; that was the portion of the
5 bill they worked on.

6 But my understanding is that there
7 will be an ability to have them conditionally
8 sealed for employment purposes, but they
9 still will be available if they're seeking
10 employment as police or peace officers.

11 ASSEMBLYMAN AUBRY: All right. Thank
12 you very much.

13 ACTING COMMISSIONER VELEZ: Thank you.

14 CHAIRMAN FARRELL: Senator?

15 CHAIRMAN DeFRANCISCO: Senator Felder.

16 SENATOR FELDER: Thank you.

17 Oh.

18 (Laughter.)

19 SENATOR FELDER: Well, first of all,
20 good morning. And I'd like to mention to my
21 colleagues that I had the honor and pleasure
22 to work with the acting commissioner in
23 New York City, and I am cautiously optimistic
24 that we're going to be able to come back, God

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1 willing, at least next year and be very, very
2 happy to be working with you as the new
3 commissioner.

4 I echo my colleagues' comments about
5 being disappointed about not having the
6 answers to the questions that are before us
7 right now. But all I can say is that based
8 on my own experience, we have a new acting
9 commissioner who unfortunately has not had
10 the time to become familiar with the
11 questions, and we're stuck now asking
12 questions without getting answers. And we
13 look forward to getting the answers before we
14 have to make a decision on that.

15 So by no means am I giving you a pass.
16 All I'm saying is that there's hope. And I
17 really mean that.

18 So I just wanted to ask you -- one
19 question was that in the budget it talks
20 about the fact that -- the residency

21 requirement for the adoption assistance
22 program. And it says that the language
23 limits adoption assistance payments for
24 private adoption of children with special

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1 needs to only those adoptive parents who
2 reside in the state at the time of their
3 application.

4 That doesn't seem to make sense. I
5 would understand if it's at the time of
6 adoption. It doesn't make sense to me why
7 they would have to be residents at the time
8 of the application. That's question number
9 one.

10 Question number two is that it seems
11 that you issued -- your agency issued a
12 report, it said a March 2014 report by your
13 agency found that there were more than
14 1,100 escapees during the program's first
15 year, a rate of nearly two per residence.
16 Some of these escapees have gone on to commit
17 additional crimes, including, in at least one
18 instance, homicide.

19 What specific answers have been taken
20 to address this problem? Question number
21 two.

22 Two-b, what is the current number and
23 rate of runaways? And as you know, we're
24 soon going to the next level, where we're

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1 Looking for residences where they will be

2 restricted, so we'd like to certainly find
3 out more about how this is being handled now.

4 And the third question -- yeah, I
5 think it's the third. That was 2B. The
6 third question I have, which if you're able
7 to answer, there's something wrong, so don't
8 try answering it. The third question -- but
9 it relates to something that you're
10 responsible for, because if -- I'm just
11 wondering how you're going to work with the
12 Office of the Courts. Because if a lot of
13 these cases are going to go to Family Court,
14 I'm asking if you can work and coordinate in
15 some way -- I know it's not in your budget,
16 it's in their budget -- to extend -- right
17 now Family Court ends at 5 o'clock. And
18 anyone who's been in a Family Court knows how
19 terrible things are, certainly in a case
20 where you have a family involved and they
21 have to wait another day to be seen by a
22 judge. And in many other parts of -- not
23 Family Court, they have extended hours.
24 Certainly when it comes to families in

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1 trouble, we have to put the resources in to
2 make sure that families shouldn't have to
3 wait a day to be seen.

4 So certainly if you're going to have
5 more cases -- even if there were no more
6 cases, I would have the same point to make.
7 But certainly if there are more cases, I'm

8 asking that you work together with your
9 colleagues to make sure that the courts,
10 specifically Family Courts, stay open longer
11 hours. You know, that there be another a
12 shift, if necessary, at least till midnight,
13 so that families don't have to wait.

14 And I thank you.

15 ACTING COMMISSIONER VELEZ: As to the
16 Family Court issues, I can't comment.

17 But as to the programming, our
18 programming, I could take your questions and
19 get back to you on those.

20 CHAIRMAN FARRELL: Thank you.

21 Assemblywoman Davila.

22 ASSEMBLYWOMAN DAVILA: Good morning.

23 ACTING COMMISSIONER VELEZ: Good
24 morning.

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1 ASSEMBLYWOMAN DAVILA: Thank you,
2 Commissioner, for helping us figure this out.

3 The proposed budget that the Governor
4 put out this year is quite alarming when it
5 comes to social services. One in particular
6 that sticks out in TANF is the appropriation
7 for a Ki nGAP.

8 ACTING COMMISSIONER VELEZ: For --
9 excuse me, for?

10 ASSEMBLYWOMAN DAVILA: Excuse me?

11 ACTING COMMISSIONER VELEZ: What's the
12 name of the program? You named a program.

13 ASSEMBLYWOMAN DAVILA: Ki nGAP. Or

14 kinship. That means a family member. You
15 understand what that means, right?

16 ACTING COMMISSIONER VELEZ: Yeah, I'm
17 aware of that.

18 ASSEMBLYWOMAN DAVILA: And some of
19 these people are grandparents or elderly
20 people that are receiving social services.
21 And what's alarming to me is that they will
22 no longer be getting the appropriation that
23 they get for the month to take care of these
24 children. And what is OCFS's plan in order

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1 to fill that gap?

2 ACTING COMMISSIONER VELEZ: I'm not
3 specifically aware of it. I know that we
4 provide excellent programming there. It's an
5 area that, like I've said before, it's
6 important to me. And I would have to look at
7 that and get back to you on that.

8 ASSEMBLYWOMAN DAVILA: That's
9 extremely important, because if family
10 members are taking the responsibility of
11 taking these kids or adopting them, and they
12 are living on a fixed income or even maybe
13 have low-paying jobs, it's going to be quite
14 difficult to raise these children.

15 Secondly, I have another concern in
16 terms of -- and I'm not sure if I can ask you
17 this or maybe the New York State Department
18 of Labor. But I want to make you aware that
19 a lot of these biological parents that have

20 given up the right to their children have the
21 right to hold onto their Social Security and
22 birth certificates. And they are able to
23 claim taxes. They don't have the children,
24 but they do go out and claim taxes on these

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1 children.

2 So that's something that we should be
3 looking at, because that's probably billions
4 of dollars in taxes that are being paid out
5 that you may not be have aware of.

6 ACTING COMMISSIONER VELEZ: Okay, I
7 will take your concerns back and share it
8 with the appropriate agency.

9 ASSEMBLYWOMAN DAVILA: Okay, that's
10 it.

11 CHAIRMAN DeFRANCISCO: Senator Funke.

12 SENATOR FUNKE: Thank you, Senator.

13 I think it's a shame that we have to
14 spend so much time talking about how best to
15 incarcerate teenagers. Perhaps if we did a
16 better job on the childcare subsidy side,
17 perhaps if we did a better job with the
18 various programs that encourage youth
19 employment, to encourage youth to be engaged,
20 we wouldn't have to worry as much about this
21 on the other end.

22 What's disturbing to me in this
23 particular budget, Commissioner, is some of
24 those very programs that encourage young

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1 people to work and be engaged in their
2 communities -- in my own community I'm
3 looking at, as an example, the building
4 trades pre-apprentice program. It's a
5 \$200,000 program, a great program showing
6 young people how to learn a trade and earn a
7 good living. Rochester Tooling and Machining
8 Institute, Summer of Opportunity youth
9 employment program, those are all cut from
10 the budget.

11 Rochester-Genesee Regional
12 Transportation Authority, an \$82,000 program
13 that provides free bus passes to those coming
14 off public assistance, cut in the program.
15 Strengthening Families through Stronger
16 Fathers, \$200,000 cut from the budget this
17 year.

18 I would urge you to reconsider those
19 cuts, Commissioner.

20 And as a follow-up to that, the
21 Executive proposal relies heavily on the
22 Raise the Age portion, on diversion and
23 alternatives to incarceration as well as a
24 comprehensive system of community supports.

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1 So the question is, will OCFS be providing
2 these services directly? Or will you be
3 seeking to partner with nonprofits and other
4 community-based agencies in that regard?

5 ACTING COMMISSIONER VELEZ: This is --

6 as I've said before, we're developing this
7 comprehensive plan where we're looking at all
8 options. It's right now premature to -- I
9 can't tell you whether it's OCFS programs or
10 a not-for-profit. I'm looking at all these
11 possibilities.

12 But I do want to let you know I want
13 to provide -- and this is something very,
14 very important to me -- programming that is
15 appropriate for these 16- and 17-year-olds,
16 make sure that they do go to school, make
17 sure that they do participate in, I think, a
18 wonderful model to really help them, to
19 really rehabilitate them. So it's going to
20 be part of the plan that I will at one point
21 share with you.

22 SENATOR FUNKE: Thank you.

23 ACTING COMMISSIONER VELEZ: Thank you.

24 CHAIRMAN FARRELL: Assemblywoman Fahy.

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1 ASSEMBLYWOMAN FAHY: Thank you,
2 Mr. Chairman.

3 And good morning, Commissioner.

4 ACTING COMMISSIONER VELEZ: Good
5 morning.

6 ASSEMBLYWOMAN FAHY: Thank you for
7 joining us.

8 Just a couple of comments and then a
9 couple of questions.

10 One, I just want to concur and echo
11 the comments of my colleagues on Raise the

12 Age. I had the good fortune a few years ago
13 of serving on the previous governor's
14 Children's Cabinet, and I know that we are an
15 outlier in terms of raising the age of
16 criminal responsibility. And I think this is
17 quite an opportunity, so it is important that
18 we get the details and the information. So I
19 would appreciate your responsiveness on that.

20 I also want to mention and echo the
21 comments earlier about the need for an
22 increase in childcare subsidies. I do think
23 we talk a lot here about jobs and the need to
24 employ more, and without those childcare

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1 subsidies it is a true detriment and barrier
2 for parents to get back to work.

3 Similar comments on Close to Home, and
4 then questions. The safety -- I live here in
5 Albany, this is part of my district. And
6 just informally, I hear a lot about the lack
7 of safety for staff and the youth in our
8 secure facilities. And I just wondered if
9 you could give us any updates on the levels
10 of violence in those secure facilities and
11 where the trends are right now.

12 And I know we are downsizing. I
13 commend the Governor in terms of downsizing
14 and alternatives that have been promoted.
15 But what I hear is that we're doing too much
16 of warehousing of children, youth in these
17 secure facilities and not enough of a

18 structured environment, particularly with
19 educational programs. So if you could give
20 us an update, and then I have one other
21 question.

22 ACTING COMMISSIONER VELEZ: I very
23 much want to provide structured programming
24 for youth. When you have youth involved in

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1 school, involved in appropriate programs,
2 they stay focused and they stay out of
3 trouble.

4 One of my major goals is to ensure
5 that violence is not an issue at these
6 facilities. I've visited already a few
7 facilities. My questions are what's school
8 like, are the kids going. I want them
9 involved in the programming. All these are
10 very near and dear to my heart.

11 I think once we get these kids really
12 involved and really implement this New York
13 model, I think it would really reduce and
14 address these issues of incidents.

15 I think at this point there's been no
16 increase in incidents. We're really trying
17 to keep them -- and trying to monitor them
18 and even reduce them. It's an ongoing
19 struggle, but one that I very much want to
20 make sure that, like I say, we have proper
21 programming so if we do need to increase the
22 capacity of our residential facilities, that
23 we really can address this and do an

24 excellent job.

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1 ASSEMBLYWOMAN FAHY: Thank you. And
2 I'd look forward to any updates on the
3 statistics for the violence in those
4 facilities.

5 And the last question I have is
6 really -- I'm not sure if it's a budget issue
7 at this point, but I want to make sure I get
8 it out there because if it is a budget issue,
9 I'd like to hear back from you.

10 We had an incident just before
11 Christmas here locally in a rural part of
12 Albany County of a horrific murder of
13 5-year-old Kenneth White. And in
14 investigating that murder, at the time it was
15 initially reported as a missing child. And
16 one of the parents was out of state, so there
17 was a real concern that the perpetrators may
18 have taken the child out of state.

19 As part of the investigation -- again,
20 what turned out to be a murder -- the local
21 sheriff's office was truly hindered with
22 getting access to the child protective
23 records as a part of their investigation.
24 Limited access -- in fact, rejection of

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1 access from two local counties, and then also
2 with the state hotline, the CPS state
3 hotline.

4 I'm happy to share more of that with

5 you. I'm working with our chairwoman, Donna
6 Lupardo, and working with colleagues in the
7 Senate, Senators Amedore, Breslin and others.
8 Because evidently there was a similar
9 incident, and I'm still getting more
10 information on this, but a similar incident
11 with the kidnapping of the two Amish
12 teenagers up in St. Lawrence County, where,
13 as I understand it, again, limited access to
14 records that hindered the case.

15 Now, upon investigating this, we
16 understand that the law does provide some
17 access. And maybe it was a training issue,
18 hence what could possibly be a budget issue.
19 But it is something that I will be writing to
20 you about and would welcome a chance to talk
21 to you more about it.

22 Because if it is a need for better
23 training, more clarification of the laws and
24 more of an investigation -- if it's three or

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1 more counties plus problems with the state
2 hotline. In this case, it may not have saved
3 this 5-year-old child's life, but it
4 certainly severely hindered the
5 investigation, particularly if the
6 perpetrators had gone across state lines. So
7 it is something I do look forward to talking
8 to you more about and would like to
9 investigate a little further. And again, if
10 it is a budget issue with training, with the

11 fact that there is misinformation out there,
12 particularly among the counties in this area,
13 particularly in some of our more rural
14 counties, I would appreciate more
15 information. And again, I'll be following up
16 with our committee chair.

17 ACTING COMMISSIONER VELEZ: In the
18 coming months, I would very much like to
19 speak to you about that.

20 ASSEMBLYWOMAN FAHY: Thank you.
21 Appreciate that.

22 Thank you, Mr. Chair.

23 CHAIRMAN FARRELL: Senator.

24 SENATOR KRUEGER: We're joined by

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1 Senator Velmanette Montgomery and Senator
2 Jesse Hamilton.

3 CHAIRMAN DeFRANCISCO: And the next
4 questioner is Senator Montgomery.

5 SENATOR MONTGOMERY: Good morning,
6 Commissioner.

7 ACTING COMMISSIONER VELEZ: Good
8 morning.

9 SENATOR MONTGOMERY: I want to join my
10 colleague in complimenting the Governor and
11 your office on the proposals around Raising
12 the Age. That's very critical.

13 You mentioned that there's
14 \$25 million, I believe, for services for
15 those young people. And then there's another
16 \$110 million for capital investments in, I

17 suppose, creating new spaces for these young
18 people.

19 And the question I have for you is I
20 note that Assemblyman Ortiz and I have, in
21 our district in Red Hook, a community court.
22 Part of that court is a youth court. This is
23 a court that has really made a tremendous
24 difference in that community, especially as

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1 it relates to dealing with juvenile issues.

2 My question to you is with the
3 \$25 million in program funding and the
4 \$110 million, how do you envision utilizing
5 those new resources to expand the types of
6 programs that already exist, and to what
7 extent can we anticipate that you're going to
8 utilize the expertise of people who have been
9 involved in this process for many years,
10 including local community people, community
11 experts?

12 ACTING COMMISSIONER VELEZ: Excellent
13 question. The \$25 million is, like you said,
14 it's a plan to create and expand these
15 services. It is -- this is part of the plan
16 that I'm working on.

17 But I think one of my strengths is to
18 bring a collaborative approach to this
19 process. I would like to hear from the
20 stakeholders, I'd like to hear from you. And
21 I am familiar with that Red Hook court. It
22 is a wonderful, wonderful court. If there's

23 a way we can work with them, I would be more
24 than willing.

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1 But as you can understand, it's an
2 involved plan. It's going to take me a
3 little time. But I do very much hope in the
4 coming months that I could speak to you and
5 other stakeholders to make sure that this
6 plan really reflects the community's
7 concerns.

8 SENATOR MONTGOMERY: And I just want
9 to inform you that former Commissioner
10 Carri on had done a tremendous amount of work
11 with a number of us in terms of looking at
12 alternative models for dealing with young
13 people. And I certainly hope that you'll be
14 able to call on her expertise, even though
15 she's at the city level right now. But
16 there's been a lot of work done, and I hope
17 that you're going to look at including what
18 we've already been able to do in terms of at
19 least changing our own attitudes and
20 understanding of these issues.

21 ACTING COMMISSIONER VELEZ: I hear
22 you, Senator, and I hope to have a wonderful
23 working relationship.

24 SENATOR MONTGOMERY: Thank you.

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1 CHAIRMAN FARRELL: Thank you.

2 We've been joined by Assemblyman

3 Ortiz, Assemblywoman Solages, and
4 Assemblywoman Hooper.

5 And to question, Mr. Scarborough.

6 ASSEMBLYMAN SCARBOROUGH: Thank you.

7 Thank you, Commissioner.

8 I would begin by asking if you know
9 why the Governor is looking to eliminate the
10 facilitated enrollment in the SUNY/CUNY
11 childcare programs.

12 ACTING COMMISSIONER VELEZ:

13 Assemblyman, no, I am not aware of that.

14 But, you know, it's something I can look
15 into.

16 ASSEMBLYMAN SCARBOROUGH: All right.

17 Well, I would just indicate certainly I don't
18 think that we should be putting up
19 barriers to parents being able to have
20 childcare, nor should we make it more
21 difficult for mothers or parents to be able
22 to get an education by eliminating those
23 childcare options. So I would certainly ask
24 you to look at that.

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1 Another thing that we have been
2 supportive of is the Close to Home. But I'm
3 wondering, do you have any criteria by which
4 to determine whether or not the program is a
5 success or not?

6 ACTING COMMISSIONER VELEZ: You know,
7 once again, as the new commissioner, I know
8 that the Close to Home program, that it's

9 been implemented. We're evaluating that. I
10 could look at the criteria where we look at
11 how to determine the success. And it's
12 something I can get back to you on.

13 ASSEMBLYMAN SCARBOROUGH: Yeah, I'd be
14 very interested in seeing that, because a lot
15 of us do have a stake in its success, given
16 what the options are, the alternatives.

17 And the last thing is, can you tell me
18 what the funding is for the Safe Harbour
19 program this year?

20 ACTING COMMISSIONER VELEZ: Once
21 again, I don't know that, and I would have to
22 get back to you.

23 ASSEMBLYMAN SCARBOROUGH: Please do.
24 All right, thank you.

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1 ACTING COMMISSIONER VELEZ: Thank you.

2 SENATOR KRUEGER: Senator Jesse
3 Hamilton.

4 SENATOR HAMILTON: Yes, good morning,
5 Commissioner. How are you doing today?

6 ACTING COMMISSIONER VELEZ: Good
7 morning.

8 SENATOR HAMILTON: My name is Jesse
9 Hamilton, State Senator Jesse Hamilton, and I
10 join districts with State Senator Velmanette
11 Montgomery. And she talked about the
12 community court and youth center. I cover
13 Brownsville, one of the most densely
14 populated NYCHA developments in the city,

15 which is part of the 73rd precinct. We have
16 the highest murder rate in New York City.

17 And I'm just trying to find out -- you
18 have \$100 million for capital improvements.
19 And I'm wondering, since we have one of the
20 highest densities of NYCHA housing and the
21 highest murder rate in New York City, is any
22 part of that \$100 million going to be
23 allocated towards Brownsville?

24 ACTING COMMISSIONER VELEZ: Once

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1 again, this is a plan that I'm developing. I
2 am not exactly sure how I'm going to use all
3 that money -- use the money. But it is --
4 remember, we have to develop a comprehensive
5 system for Raise the Age, to make sure that
6 all these kids are housed and get the proper
7 services.

8 As to your concerns about your
9 community, you know, I would -- in the coming
10 months I'd like to talk to you about them to
11 see what OCFS could do to help. But at this
12 time I don't know exactly how this money is
13 going to be used.

14 SENATOR HAMILTON: Do you know where
15 Brownsville is located?

16 ACTING COMMISSIONER VELEZ: Yes, I do.
17 I come from New York City.

18 SENATOR HAMILTON: Okay. Do you know
19 that it's a high-needs district?

20 ACTING COMMISSIONER VELEZ: Yes.

21 SENATOR HAMILTON: And there's been no
22 analysis or any thought process of how to
23 assist those children in that neighborhood.

24 ACTING COMMISSIONER VELEZ: Yes, I am

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1 aware of that, Senator.

2 SENATOR HAMILTON: You are. You're
3 aware that it's the highest murder rate in
4 New York City?

5 ACTING COMMISSIONER VELEZ: Yes.

6 SENATOR HAMILTON: And so there's a
7 need to have some type of capital improvement
8 in our district. We do have a juvenile
9 detention center, which I believe is
10 outdated. I think we'd like to have more
11 educational service for these young children
12 to get them into the mainstream and give them
13 the skill sets they need to be productive.
14 To make jobs at McDonald's and Burger King is
15 not getting it anymore. So I hope to see an
16 enhanced educational component for these
17 young children who want to learn.

18 There's one program, the Dream
19 program, where children from 17 to 22 who
20 didn't get their college education want to
21 get their GED, and they're being turned away,
22 80 percent of them, because they can't read
23 at the 7th-grade level. So they're coming in
24 to get educated, and they're being told: We

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1 can't help you because you're not reading at

2 the 7th-grade level.

3 So I hope your organization will look
4 into that and to make sure any child who
5 wants to be educated, regardless of their
6 reading level, will be able to avail
7 themselves to get a GED and to move forward.
8 It's not their fault that the educational
9 system failed them. It's not their fault
10 that the community that they come from may
11 not be giving them the nurturing environment
12 that they need.

13 So I'm hoping that your agency will
14 fill that void or fill that gap in
15 supplementing what we need in Brownsville,
16 Central Brooklyn, Flatbush, Crown Heights in
17 Brooklyn, and Sunset Park also.

18 Homeless services. This is my first
19 term as a State Senator, but some of the
20 shelters -- we noticed that a lot of children
21 come to school hungry in the morning and
22 wanting two or three servings of breakfast.
23 And when I looked into it, the shelters don't
24 have kitchen facilities. And you're not

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1 allowed to bring in food, and you must be in
2 by 7 p.m. So just imagine going home and at
3 7 p.m. put a lock on your refrigerator and
4 you can't eat from 7 p.m. until the next day.

5 So I just want to make sure the
6 homeless services -- sometimes people want to
7 work, it's just that the rents are too high.

8 As the man said, the rents are too high. So
9 even if you're working, minimum wage, you may
10 bring home \$1,300 a month. A two-bedroom
11 apartment starts at \$1,200. So it's almost
12 impossible for a single parent right now to
13 make it based on minimum wage.

14 And the shelter should not be
15 affordable housing, but it should be a place
16 where people can transition to move into
17 permanent housing. So I hope your
18 organization looks into that also.

19 And another thing is the foster
20 children, foster care children, it seems that
21 once they age out, they themselves become
22 homeless because they don't have the support
23 mechanism in place when they do age out of
24 the foster care system, especially the young

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1 men and women in the LGBT community,
2 especially with the violence.

3 So your organization, your division,
4 your department plays a critical role in my
5 neighborhood, a very critical role in my
6 neighborhood and Senator Montgomery's
7 neighborhood, and we hope and I desire that
8 you look into Brownsville and Central
9 Brooklyn. Right now, due to the housing
10 shortage, on Eastern Parkway, Franklin
11 Avenue, a studio apartment now starts at
12 \$2200. I think in my district 87 percent of
13 the people can't afford to live there now.

14 So we need the services to make sure
15 that our children are able to transition into
16 the middle class and have meaningful jobs.
17 So when you offer programs for education, if
18 you don't have Excel, if you don't have Word,
19 if you don't have coding, what are you
20 preparing the children for? You're just
21 passing them along for somebody else to take
22 care of them.

23 So I'm glad that you're here today. I
24 look forward to working with you. Hopefully,

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1 you will build a community court in my area
2 to make sure that many of our children don't
3 get records for minor crimes that will keep
4 them from getting meaningful jobs, civil
5 service jobs, to raise their families. So I
6 would commend you for doing your work and
7 doing God's work, and thank you very much.

8 ACTING COMMISSIONER VELEZ: Thank you.

9 CHAIRMAN FARRELL: Assemblywoman
10 Mayer.

11 ASSEMBLYWOMAN MAYER: Thank you,
12 Mr. Chairman.

13 I'm going back to the issue of
14 childcare subsidies, given the Governor's
15 proposal for flat funding for childcare
16 subsidies. Let me just preface it by saying
17 in the past OCFS has sort of rubber-stamped
18 county modifications of their childcare
19 subsidy plans without independent review.

20 And that's been my experience with
21 Westchester, which reduced eligibility simply
22 because the county executive said they didn't
23 have enough money when in fact they did have
24 enough money.

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1 But starting with that premise, that
2 the eligibility levels for childcare
3 subsidies are modified by counties, how does
4 the department intend to address fluctuations
5 in eligibility levels in counties if you have
6 flat funding? In other words, should
7 Westchester County again reduce eligibility,
8 how is the department under this budget going
9 to make sure that those who should be
10 eligible are going to receive subsidies?

11 ACTING COMMISSIONER VELEZ: Like I
12 said before, we are committed to providing
13 childcare subsidies, and we're committed to
14 maintaining the levels. But as to that
15 specific question, you know, I'm not sure and
16 I would have to get back to you.

17 ASSEMBLYWOMAN MEYER: Well, I would
18 ask that the department undertake an
19 aggressive review of their policy of county
20 modifications of eligibility, because there
21 is no one looking at whether children who
22 should be eligible are automatically being
23 denied eligibility. And you, as the state,
24 with the pass-through of federal money, it

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1 seems to me is the appropriate agency.

2 So I would ask that you as the new
3 commissioner take a very active look at your
4 past policies and see if you can ensure that
5 these children remain eligible as long as
6 there is funding available.

7 Thank you.

8 ACTING COMMISSIONER VELEZ: Thank you.

9 CHAIRMAN FARRELL: Thank you.

10 To close, Ms. Solages, Assemblywoman
11 Solages.

12 ASSEMBLYWOMAN SOLAGES: Hello, how are
13 you today?

14 ACTING COMMISSIONER VELEZ: Good.

15 ASSEMBLYWOMAN SOLAGES: I want to
16 thank you for coming and appearing before us
17 and talking about many great issues that are
18 important to our communities.

19 Childcare is an issue that is talked
20 about a lot in our community because it's
21 very expensive. I live on Long Island.
22 Everything on Long Island is very expensive,
23 from utilities to housing to everything you
24 can think of -- food. So people have to work

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1 odd hours, sometimes two to three jobs, in
2 order to survive.

3 And so I want to know if your agency
4 is looking at expanding eligibility of
5 childcare to nontraditional hours or maybe

6 looking at eligibility for people who work at
7 night.

8 ACTING COMMISSIONER VELEZ: Once
9 again, you know, as a new commissioner, I'm
10 looking at these issues. And I would -- you
11 know, in the coming months I would like to
12 talk to you about it to see what we've done
13 in the past and what we could do. Okay?

14 ASSEMBLYWOMAN SOLAGES: Excellent.
15 Because currently you don't have eligibility
16 for nontraditional hours, and it's putting a
17 lot of families at a disadvantage.

18 DEPUTY COMMISSIONER MOLNAR: Good
19 morning, Assemblywoman. I'm Janice Molnar,
20 deputy commissioner of childcare at OCFS.

21 I just wanted to point out that one of
22 the options that local districts have is to
23 pay an enhanced subsidy rate for providers
24 who serve children during nontraditional

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1 hours. We try to provide as much flexibility
2 to the districts as possible. They know
3 their caseload the best, they know the needs
4 of their communities the best, like their
5 elected officials. And so on Long Island,
6 that is one of the things that they can do,
7 is pay an enhanced rate for the services
8 provided during nontraditional hours.

9 ASSEMBLYWOMAN SOLAGES: Is that for
10 the whole state as well?

11 DEPUTY COMMISSIONER MOLNAR: Every

12 local social services district has that
13 option.

14 ASSEMBLYWOMAN SOLAGES: Okay,
15 excellent, thank you.

16 DEPUTY COMMISSIONER MOLNAR: And can
17 pay up to 15 percent above whatever the rate
18 might be.

19 ASSEMBLYWOMAN SOLAGES: Excellent.
20 Thank you.

21 ACTING COMMISSIONER VELEZ: Thank you
22 very much, Janice.

23 CHAIRMAN DeFRANCISCO: Thank you.
24 Now, there's been a lot of communication

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1 going on with the administration, and
2 momentarily someone is going to be here
3 specifically to answer only on the topic of
4 Raise the Age. So we'll get the information.

5 So a couple of Senators have a couple
6 of other questions. I'm going to just -- and
7 I know Senator Krueger said the same thing,
8 I'm just going to send you a letter, and
9 hopefully you can answer those within the
10 next couple of weeks. Is that okay?

11 ACTING COMMISSIONER VELEZ: We will
12 work to do that.

13 CHAIRMAN DeFRANCISCO: Okay. Well,
14 I'll need them by two weeks because otherwise
15 they won't be of much worth as we're going
16 through the process.

17 But I'll send the letter, and Senator

18 Krueger will and others that have them, and
19 as soon as we see the Governor's people, you
20 will be excused. But since they're not here
21 yet, there's a couple of people that may have
22 a question or two that we will cut off as
23 soon as they come down here so we can get
24 this done as an orderly process.

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1 Senator Hoylman had a question.
2 SENATOR HOYLMAN: Yes. Thank you,
3 Senator. And I apologize for being late. I
4 was on Amtrak, which was going more slowly
5 than usual.

6 I wanted to ask you about homeless
7 youth funding, Commissioner. And I know
8 Senator Krueger asked a couple of questions.
9 But I wanted just to point out to you that
10 according to OCFS, in 2008 there were
11 documented 573 instances where kids,
12 children, were literally turned away from
13 shelters across New York State because there
14 weren't enough beds. And by 2012, which is
15 the most recent data available, this number
16 skyrocketed tenfold to over 5,000 instances,
17 5,041 instances where children, kids, are
18 going to shelters, knocking on the door and
19 being told there aren't enough beds.

20 And I just want to raise this with
21 you. It's a big concern in my district, but
22 I think it's a big concern for all of my
23 colleagues, that there are children who are

24 on the streets across our state having to

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1 find alternative means of shelter. And we
2 know that that could lead to a lot of
3 untoward things, including trafficking, drug
4 abuse, mental health issues, AIDS/HIV.

5 And I want to know, Commissioner, with
6 all this increased need in runaway and
7 homeless youth services, why hasn't the
8 budget increased accordingly?

9 ACTING COMMISSIONER VELEZ: As -- once
10 again, this issue is one that OCFS is aware
11 of, one that we're addressing. The data
12 collected, you know, I have some questions
13 about. But it's one -- this is an area that
14 I would love to look at and see what's being
15 done and then get back to you. I understand
16 that you've sent a letter to us.

17 SENATOR HOYLMAN: I have, sir.

18 ACTING COMMISSIONER VELEZ: Right.
19 And I want to get back to you quickly --

20 DEPUTY COMMISSIONER VELEZ: I can help
21 a little here.

22 ACTING COMMISSIONER VELEZ: Laura
23 Velez will help with --

24 CHAIRMAN DeFRANCISCO: Excuse me.

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1 Excuse me. I appreciate your coming down,
2 and maybe you can give an answer to this
3 question, and then the Governor's people are
4 here to describe the other bill. So you're

5 on.

6 DEPUTY COMMISSIONER VELEZ: Okay.

7 Very, very quickly.

8 CHAIRMAN DeFRANCISCO: Go ahead.

9 DEPUTY COMMISSIONER VELEZ: So one of
10 the things that OCFS is also responsible for
11 is this Safe Harbour funding. And one of
12 the -- and when the commissioner referenced
13 earlier trying to enhance some of the
14 services related to our runaway and homeless
15 youth programs, it is through that vehicle
16 that we intend to do some of those
17 enhancements. So we're looking at being able
18 to use our runaway and homeless youth shelter
19 system to provide additional services to the
20 sexually exploited youth and funneling
21 through our localities some of those dollars
22 to the runaway and homeless youth services to
23 address some of the things that you're
24 suggesting.

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1 SENATOR HOYLMAN: That's terrific
2 news. Thank you very much. The advocates
3 are asking for a pittance in, you know, a
4 budget that's \$142 billion. They're asking
5 for \$2.4 million more. And I think, you
6 know, we have a moral obligation to make
7 certain that our kids have a place to sleep
8 at night.

9 So thank you very much.

10 DEPUTY COMMISSIONER VELEZ: You're

11 welcome.

12 CHAIRMAN DeFRANCISCO: Thank you. And
13 thank you, Commissioner. We're all set.

14 ACTING COMMISSIONER VELEZ: Thank you
15 very much.

16 CHAIRMAN DeFRANCISCO: The Governor,
17 to his great credit, knew the importance of
18 the issue concerning Raise the Age. And
19 someone is watching what's going on here. So
20 they were willing to send in people who have
21 more knowledge about that particular part of
22 this hearing. Alphonso David, counsel to the
23 Governor, if you guys would come up, and
24 Jacqui Greene, executive director of the

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1 Raise the Age Commission.

2 And if someone could just give a
3 summary, I think the philosophy is pretty
4 clear as far as what the intent is here, keep
5 children out of adult facilities and try to
6 cut the problems of children's crimes at an
7 earlier age with treatment rather than
8 incarceration. We understand the philosophy.

9 I think what I want to ask about is
10 really -- and ask you to just give a brief
11 summary -- how the bill works. Okay? Thank
12 you.

13 EXEC. DIRECTOR GREENE: Sure. So I'm
14 Jacqui Greene, the executive director of the
15 Commission on Youth, Public Safety and
16 Justice that developed the proposal that is

17 now part of the Governor's budget proposal .
18 And that commission was comprised of
19 16 members that represented a real
20 cross-section of interests. So there were
21 two district attorneys, a police chief, a
22 sheriff, along with several advocates and
23 experts on juvenile justice policy. And
24 coming up with those recommendations was

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1 really a little negotiation in and of itself.
2 So I think the place where we landed
3 and what is in the bill proposed by the
4 Governor would shift misdemeanors and
5 nonviolent felonies for 16- and 17-year-olds
6 to the Family Court juvenile delinquency
7 process. It would maintain original criminal
8 court jurisdiction for violent felony
9 offenses alleged to be committed by 16- and
10 17-year-olds. And that structure, as opposed
11 to being the current adult structure that is
12 used to process all 16- and 17-year-olds
13 right now no matter the offense, that
14 structure would become a juvenile offender
15 structure.

16 So we have a juvenile offender process
17 for the most serious crimes of violence for
18 14- and 15-year-olds, and for a very limited
19 group of 13-year-olds. That process would be
20 expanded to cover the most serious crimes of
21 violence committed by 16- and 17-year-olds,
22 with a little broader definition of what a

23 crime of violence is for a 16- and
24 17-year-old than the current definition for

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1 those younger kids.

2 So those cases would originate in
3 Criminal Court. There would be a capacity to
4 remove those cases to Family Court under a
5 couple of different mechanisms, maintaining
6 the current mechanism for the current batch
7 of juvenile offender cases, and then creating
8 a presumption of removal that could be
9 rebutted by the DA in the bigger definition
10 of crimes of violence for 16- and
11 17-year-olds.

12 So that is a really general overview
13 of the structure. There are -- it's a long
14 bill, there a million details. I'm happy to
15 answer any questions.

16 CHAIRMAN DeFRANCISCO: Okay, let me
17 just try to understand it by asking some
18 specific questions.

19 The bill is now the law. I'm 17 years
20 old. I'm charged with rape. And would I go,
21 for my original court appearance, to a
22 criminal court under those circumstances?

23 GOVERNOR'S COUNSEL DAVID: Yes.

24 EXEC. DIRECTOR GREENE: Yes.

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1 CHAIRMAN DeFRANCISCO: Okay. So now
2 that would not be processed, however, as a

3 crime under this new bill; is that correct?

4 EXEC. DIRECTOR GREENE: It would. It
5 would start being processed as a crime.
6 There would be an opportunity for removal to
7 Family Court. But for rape, it would only be
8 with the consent of the DA, which is the
9 current structure in the juvenile offender
10 law now. If it didn't get removed, it would
11 be processed as a crime.

12 CHAIRMAN DeFRANCISCO: Okay. And the
13 crimes that fit in that category, what are
14 they called under the bill?

15 EXEC. DIRECTOR GREENE: Well, they're
16 defined as juvenile offender crimes. I can
17 tell you what they are.

18 CHAIRMAN DeFRANCISCO: Okay, go ahead.

19 EXEC. DIRECTOR GREENE: They're all
20 violent felony offenses as that definition is
21 provided in the current criminal law. But
22 there were also a bucket of crimes that many
23 people in law enforcement told us are really
24 crimes of violence that are not in that

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1 definition in the criminal law.

2 So the definition of crimes of
3 violence, of juvenile offender crimes for 16-
4 and 17-year-olds would also include all
5 homicide offenses, all Class A felonies which
6 are not currently considered violent felony
7 offenses under the law. And then there are a
8 handful more -- crimes of terrorism,

9 aggravated vehicular assaults, aggravated
10 criminal contempt.

11 CHAIRMAN DeFRANCISCO: Okay. Now I
12 understand what that list is. Now, let's --
13 now, there's an opportunity for who to
14 petition or start the process to remove one
15 of those cases from criminal to Family Court?
16 Who starts that process?

17 EXEC. DIRECTOR GREENE: So there's two
18 different procedures that would be in place
19 under the proposal. One maintains the
20 current process that's in place for the
21 current offenses for 14- and 15-year-olds
22 that can be charged as juvenile offenders --
23 with one exception that I'll mention.

24 But for those crimes, which are

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1 generally the most serious crimes of violence
2 on that list right now, there are several
3 points in time in the criminal procedure
4 where that case can be removed. They require
5 the DA's consent to removal. And the bill
6 wouldn't change anything about that.

7 So it would maintain that current
8 procedure for the current juvenile offender
9 cases with one exception, which is the crime
10 of Robbery 2, subdivision 2, which we heard
11 from a lot of folks young people can get
12 charged with that when they are in a group of
13 people and harm comes to a victim or a weapon
14 used, but the young person charged may not

15 have actually inflicted the harm or used the
16 weapon.

17 For that current juvenile offender
18 crime, and then there's this bigger bucket of
19 crimes that will become juvenile offender
20 crimes for 16- and 17-year-olds that are not
21 current juvenile offender offenses for the
22 younger kids. I know, this is so confusing.

23 But for that bigger bucket, and
24 Robbery 2, subdivision 2, there would be a

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1 rebuttable presumption for removal. So at
2 arraignment, there would be a presumption in
3 the Criminal Court that those cases would be
4 removed to Family Court. That presumption
5 could be rebutted by the DA upon a showing
6 that the young person was a primary actor in
7 the offense or that they caused some physical
8 injury in the course of the commission of the
9 offense. So if the presumption is rebutted,
10 the case stays. If it's not, the case goes
11 to Family Court.

12 CHAIRMAN DeFRANCISCO: Okay. And the
13 DA has to give proof as to why it should not
14 be, not the other way around.

15 EXEC. DIRECTOR GREENE: Correct.

16 CHAIRMAN DeFRANCISCO: Not be sent to
17 Family court.

18 And those crimes that have the
19 rebuttal presumption, are they different than
20 the list of crimes you started to list

21 earlier -- namely, rape, homicide?
22 EXEC. DIRECTOR GREENE: So it wouldn't
23 apply to murder and rape. These are current
24 jail offenses. It would only apply to the

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1 broader category of violent felony offenses
2 that are not on the current list of JO
3 offenses.

4 CHAIRMAN DeFRANCISCO: Okay. And can
5 you give me a list of those that would be
6 presumed that they're going to go to Family
7 Court?

8 EXEC. DIRECTOR GREENE: I couldn't
9 give you that off the top of my head, but we
10 certainly could provide it.

11 CHAIRMAN DeFRANCISCO: No, it's in --
12 I got the bill. But my question is, is it
13 called a certain name of crimes?

14 EXEC. DIRECTOR GREENE: No.

15 CHAIRMAN DeFRANCISCO: There's no
16 separate definition.

17 EXEC. DIRECTOR GREENE: No.

18 CHAIRMAN DeFRANCISCO: Just the crimes
19 are listed.

20 EXEC. DIRECTOR GREENE: It says --
21 it's listed as anything other than what's
22 included on the list for 14- and
23 15-year-olds.

24 CHAIRMAN DeFRANCISCO: Okay. Well,

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1 the question -- I'm not sure if it was

2 answered yet. But the -- there's no one who
3 applies to have these cases that are eligible
4 sent -- that have a rebuttable presumption,
5 nobody applies to have that happen to go to
6 Family Court. Or does the defense attorney
7 apply, or does some social agency apply?

8 EXEC. DIRECTOR GREENE: So the way
9 it's drafted, it would be a question that the
10 court has to address at arraignment.

11 CHAIRMAN DeFRANCISCO: Okay. And this
12 could be addressed by a Justice Court judge?

13 EXEC. DIRECTOR GREENE: It would be
14 addressed by the judge doing the arraignment.

15 CHAIRMAN DeFRANCISCO: Okay. All
16 right. So that judge would make the -- okay,
17 let's suppose the judge says it's rebutted:
18 This is a real serious crime, there's no way
19 I'm letting this kid avoid the criminal
20 justice system. Then it goes -- that's his
21 decision, so it never goes to Family Court.
22 I assume there's an appeal process, like the
23 defense counsel can appeal to see if that
24 decision was correct?

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1 EXEC. DIRECTOR GREENE: It would be an
2 appealable decision, yes.

3 CHAIRMAN DeFRANCISCO: Okay. Less
4 serious crimes, misdemeanors and the like,
5 would they be treated just like the current
6 treatment of 13-, 14-, 15-year-olds? Just
7 the age would go up?

8 EXEC. DIRECTOR GREENE: That's right.

9 CHAIRMAN DeFRANCISCO: Okay. All

10 right. Thank you.

11 Anyone else have questions?

12 CHAIRMAN FARRELL: Mr. Aubry.

13 ASSEMBLYMAN AUBRY: Yes. I noted that

14 there was a difference in the time frames in

15 which 17-year-olds are included and

16 18-year-olds are included. Is there a reason

17 why that was separated?

18 EXEC. DIRECTOR GREENE: There is a

19 reason why it's proposed to be phased in.

20 So in the course of the commission

21 work, we talked to a lot of people across the

22 country who have done this in their own

23 states. As you all probably know, 48 other

24 states do this already. And Connecticut and

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1 Illinois both recently raised their ages. So

2 we spent a lot of time with them

3 understanding their process, and they both

4 advised us that a phase-in was really useful.

5 The 16-year-old population is smaller

6 than the 17-year-old population. So by

7 bringing them in first, it gives your systems

8 some time to really develop effective

9 capacity before they have the whole

10 population. You know, so it kind of spreads

11 that phase-in out a little bit. And they

12 thought that really helped them in

13 Connecticut.

14 In Illinois, they phased it in a
15 different way. They phased it in by
16 misdemeanors and then felonies. And their
17 advice to us was don't do it that way. It
18 caused mass confusion in their systems.
19 Their police and prosecutors ended up hating
20 it. It affected plea -- it was a mess. So
21 while they thought a phase-in was a good
22 idea, they said, you know, don't do it that
23 way.

24 So it's built on the Connecticut

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1 model, which worked very well for the State
2 of Connecticut.

3 And we heard from a lot of folks. We
4 talked to nearly 300 people in the course of
5 the commission's work across the state, and
6 many of them said to us: Don't do this too
7 fast, we want to be ready and we want to do
8 it right. And it's going to take some time
9 to be ready to do it really right.

10 ASSEMBLYMAN AUBRY: Do you anticipate
11 the assignment of counsel a distinct way for
12 this population, as opposed to assigned
13 counsel for the adult population.

14 EXEC. DIRECTOR GREENE: There's
15 nothing in the bill that would address
16 assignment of counsel.

17 ASSEMBLYMAN AUBRY: So these young
18 people --

19 ASSEMBLYMAN OAKS: Jeff, your mic

20 isn't on.

21 ASSEMBLYMAN AUBRY: That one doesn't
22 work.

23 In Family Court you have a different
24 situation of how they're handled.

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1 EXEC. DIRECTOR GREENE: Yup.

2 ASSEMBLYMAN AUBRY: So here they're
3 facing this scenario with the normal, let's
4 say -- in New York City, Legal Aid has to
5 take them, where we already know that they
6 have extraordinary caseloads and hardly get
7 the normal situation, you hardly get but
8 15 seconds before you go before the judge for
9 all of those cases.

10 So now since we're recognizing that
11 this very sensitive population is going to be
12 treated or can be treated in another way,
13 we're not providing any resources to ensure
14 that we get what we want out of this process.
15 If they are still a part of the cattle call
16 that goes on in our courts relative to
17 individuals who are accused of crimes, have
18 we protected them any better? Or are we just
19 in a place where a DA will object and a judge
20 is hurried up -- and so we've done all this
21 work to not reduce the 33,000 people who go
22 in the system. So how do we take care of
23 that issue?

24 EXEC. DIRECTOR GREENE: Yeah, it's a

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1 really good point. It's a point that the
2 commission really didn't discuss, and it
3 isn't addressed by the legislation, but it's
4 a point well-taken.

5 ASSEMBLYMAN AUBRY: So I have six
6 weeks to figure that out?

7 (Laughter.)

8 EXEC. DIRECTOR GREENE: Yeah. Yeah.
9 I mean, I think it's something that we just
10 didn't talk about, think about, nobody
11 brought up on the commission. So it is
12 unaddressed right now in the legislation.

13 ASSEMBLYMAN AUBRY: Did you have the
14 defense bar represented on the commission?
15 I'm sorry if I don't know.

16 EXEC. DIRECTOR GREENE: The defense
17 bar was not on the commission, but we did
18 talk with Legal Aid several times in coming
19 up with our proposal. And it wasn't
20 something they were raising with us. But
21 that doesn't mean it's not an issue.

22 GOVERNOR'S COUNSEL DAVID:
23 Assemblymember, if I could supplement that
24 answer as well. I think the Governor is

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1 advancing a proposal here that we recognize
2 is a new proposal, it hasn't been introduced
3 in the state. All the other states, with the
4 exception of North Carolina, have this system
5 in place. And we are advancing a piece of

6 legislation that we recognize we might have
7 supplemental pieces of legislation in the
8 future.

9 We worked with Legal Aid quite
10 closely. We do have -- the cochair of the
11 council is a defense lawyer as well. And we
12 anticipate that in the future, to the extent
13 we need to introduce additional legislation
14 to address funding issues, we are not opposed
15 to that at all.

16 CHAIRMAN DeFRANCISCO: Senator Young.

17 SENATOR YOUNG: Thank you very much.

18 I just had a few questions. One of
19 them was, how many youths are in prison right
20 now who are 16- and 17-year-olds in New York
21 State? And especially I'd like to address
22 the state prison population.

23 EXEC. DIRECTOR GREENE: So it changes
24 every day. It's a moving target. But there

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1 are about a hundred minors in our state
2 prisons today. There are about another
3 700 minors in our local jails. So the jail
4 population is actually much bigger than the
5 prison population.

6 SENATOR YOUNG: And in the jail
7 population, isn't it true that most of those
8 juveniles who are incarcerated are awaiting
9 trial --

10 EXEC. DIRECTOR GREENE: Yes.

11 SENATOR YOUNG: -- that they don't

12 serve their sentences, if they're convicted,
13 in the county jails, right?

14 EXEC. DIRECTOR GREENE: Yes. The bulk
15 of them are a pretrial population.

16 SENATOR YOUNG: Okay. Thank you.

17 Now. I see that -- and, you know, I
18 appreciate the fact that it's not really
19 detailed yet, but there's a \$110 million
20 capital expenditure associated with this
21 proposal. And the question I have is that
22 over the past several years, a lot of our
23 youth facilities have been closed across the
24 state -- two in my district, for example,

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1 Cattaraugus Limestone and Great Valley, which
2 were some of the smaller facilities. They
3 weren't, you know, the larger facilities that
4 we saw at places like Tryon.

5 And those were closed, and now it
6 seems that the initiative is to open youth
7 facilities. So could you expound on that for
8 me and explain to me why we would close those
9 facilities and now a couple of years later
10 come back and want to reopen them?

11 EXEC. DIRECTOR GREENE: Yeah. So -- I
12 mean, as you know, the facilities were closed
13 because the population wasn't coming anymore.
14 The population at OCFS facilities has shrunk
15 dramatically over probably the last five
16 years at least; it may be even longer.

17 So they were running a lot of

18 near-empty facilities at great expense to the
19 counties. So things were downsized.

20 This proposal would bring a new
21 population of young people through the Family
22 Court system, and it also is very focused on
23 getting minors out of the adult jails and
24 prisons. So even for the kids who go through

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1 Criminal Court, instead of being locked up in
2 jails and prisons, they could be confined in
3 juvenile detention, which is not
4 OCFS-operated, and youth placement
5 facilities, which would be both voluntary
6 agency settings and OCFS-operated facilities.
7 For those Criminal Court kids, it would be
8 OCFS facilities.

9 So there will be some need for some
10 additional OCFS beds to house that
11 population, which is why there is an intent
12 to have some capital resource available to
13 develop that new capacity and to develop it
14 in a way that's modeled on what we know works
15 best for justice-involved young people in
16 placement, which is really what we find in
17 the Missouri juvenile placement system.

18 SENATOR YOUNG: So the Missouri model
19 has smaller facilities. And would you
20 envision these smaller facilities to be run
21 by private organizations or by the state?

22 EXEC. DIRECTOR GREENE: So if we're
23 talking about the kids who need secure care

24 coming out of the criminal courts for serious

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1 crimes of violence, those would be
2 state-operated secure facilities.

3 If we're talking about the juvenile
4 delinquency population, the less -- the
5 nonviolent crimes, those kids who will funnel
6 through Family Court, right now the actual
7 practice across the state is that most of
8 those kids get put in custody of the local
9 commissioner, and in New York City they must
10 now get put in the custody of the local
11 commissioner, and they stay in the voluntary
12 agency not-for-profit provider setting.

13 So we would imagine that that practice
14 would continue with the less serious kids who
15 would start flowing through the Family Court.

16 SENATOR YOUNG: One of the reasons I
17 have a concern is that we have had tragedies
18 in this state, and one that comes to mind is
19 the one that occurred in Lockport in 2009
20 when Renee Greco, who was 22 years old, was
21 viciously murdered, clubbed in the head with
22 a table leg by two of the youth who were
23 there. Anthony Allen was 18 years old, had
24 been directly placed there by OCFS.

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1 And so it still doesn't make sense to
2 me that you would put a 22-year-old staff
3 member alone in a facility with all these
4 older males that had criminal records. So my

5 question obviously is, how would you avoid
6 that type of situation?

7 And I guess the second part of the
8 question is there was a study done a few
9 years ago, and in the youth facilities --
10 they were found to be the most dangerous
11 state agencies in the entire state. There
12 were issues with some of the secure
13 facilities where proms were held, where, in
14 one instance, it was found that there was a
15 prom for the youth, that girls and women were
16 being brought in, at the taxpayers' expense.
17 One was found, I believe, to be a prostitute;
18 the other was 15 years old. And they were
19 having sex with some of the inmates.

20 So, you know, there have been some
21 severe problems in the system. I haven't
22 really heard that much about correctional
23 action that's been taken. I know the
24 Department of Corrections did a study after

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1 the Inspector General's report on that
2 incident at Brook -- or was it Goshen or
3 Brookwood? It was one of those.

4 But what steps has the agency taken to
5 rectify those? And, you know, it seems to me
6 if there haven't been that many steps taken,
7 we should look at that if there's any kind of
8 further expansion of the programming.

9 EXEC. DIRECTOR GREENE: Yeah. So you
10 raise some good points. I think on the first

11 point and the tragedy that happened in
12 Lockport, I think there's no doubt that
13 voluntary agencies will also need to adapt
14 their model of care for an older population.
15 You're totally right about that. And so
16 that's part of the reason for the phase-in
17 and the time built in to develop the right
18 capacity. There's going to be a need to look
19 at the regulations. There's going to be a
20 need to look at how those places are
21 structured to ensure that we're keeping kids
22 and staff safe while they're there.

23 On the OCFS side, certainly that's
24 something the agency can speak to more than I

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1 can. But I can tell you that we took the
2 commission on site visits as part of this
3 work, and we went to jails, we went to
4 prisons, we went to OCFS secure facilities,
5 we went to juvenile detention facilities.
6 And we got to see Columbia Secure Center that
7 OCFS operates as well as Brookwood.

8 Columbia has completed its
9 transformation under the New York model,
10 which is the model that OCFS is moving to and
11 has been moving to for the last several
12 years. And it was a markedly exceptional
13 place. So, you know, I would encourage --
14 and I'm sure they can provide more
15 information to you about what has gone into
16 that transformation. I have been at OCFS

17 facilities over the years many times, and I
18 think Columbia is really a very different and
19 much healthier place for young people to be.

20 And that transformation needs to
21 happen at all the OCFS facilities. They've
22 started it at lots of them, but not all of
23 them are complete, so we also went to
24 Brookwood. And Brookwood is not complete in

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1 that transformation, and you could really --
2 you know, you could feel the difference.

3 So I think, again, the time for
4 implementation is really important so that
5 all those facilities can get up to speed on
6 the New York model and be the therapeutic
7 places they need to be for these young
8 people.

9 SENATOR YOUNG: Okay. Thank you.

10 CHAIRMAN FARRELL: Assemblyman
11 Goodell.

12 ASSEMBLYMAN GOODELL: Thank you.

13 If you don't mind, I wanted to go back
14 to make sure I understand this a little
15 better.

16 EXEC. DIRECTOR GREENE: Sure.

17 ASSEMBLYMAN GOODELL: Under the
18 current system, if there's a misdemeanor
19 involving a 16- or 17-year-old, it goes in
20 front of -- typically in upstate New York, it
21 goes into front of a Town Court judge. The
22 initial appearance, the Town Court judge can

23 set bail if it's a misdemeanor. If they
24 don't have the bail, he commits them to

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1 County Court.

2 Under the new proposal, will the
3 initial arraignment still be with the Town
4 Court judge?

5 EXEC. DIRECTOR GREENE: Not for those
6 low-level cases, no. So all the -- the
7 misdemeanors will all start in Family Court.

8 ASSEMBLYMAN GOODELL: So the police,
9 then, arrest a youthful offender, for lack of
10 a better term -- well, that means something
11 else -- but arrest a young person for a
12 misdemeanor. The police then wake up the
13 County Court judge in the middle of the night
14 to do the arraignment?

15 EXEC. DIRECTOR GREENE: No. So Family
16 Court -- this is actually a part of the
17 proposal. Right now, under the current
18 structure, if you arrest a young person who's
19 subject to the Family Court Act, which this
20 young person now would be, and Family Court
21 is closed, the police have the option of
22 releasing that young person home to the
23 parent, issuing what's called a Family Court
24 appearance ticket for their return to

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1 probation for an intake and an opportunity
2 for diversion before their case goes to

3 court, or bringing them to juvenile
4 detention. Those are the options right now.

5 As we looked at this, it seemed 16-
6 and 17-year-olds right now have the
7 opportunity for a quick arraignment that can
8 avoid them getting locked up. Shifting them
9 to this Family Court model could actually
10 increase the chances of them being held when
11 they don't have the opportunity for a quick
12 arraignment.

13 So the bill would allow for kids who
14 are subject to Family Court Act jurisdiction
15 to be arraigned by a local magistrate if
16 Family Court is not in session, basically to
17 kind of close that gap. It's a little ironic
18 that adults can get arraigned on the weekend
19 but kids can't, right now. They do do this
20 in New York City already, but they don't do
21 it in the rest of the state, so the bill
22 would allow for that.

23 ASSEMBLYMAN GOODELL: So you indicated
24 that the arresting officer has a choice of

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1 three options: Release to the parent, one is
2 take them to a juvenile detention, and I've
3 forgotten the third, I apologize.

4 EXEC. DIRECTOR GREENE: It's actually
5 two options. It's release to the parent with
6 an appearance ticket to come back to
7 probation or juvenile detention.

8 ASSEMBLYMAN GOODELL: And so that

9 initial determination of whether or not to
10 take the child directly to a juvenile
11 facility is made not by a judge but by the
12 arresting officer?

13 EXEC. DIRECTOR GREENE: That's
14 correct. If Family Court is closed, that's
15 correct.

16 ASSEMBLYMAN GOODELL: And so then we
17 have a situation where if the officer doesn't
18 like what the kid is doing, he takes them
19 directly to jail; hopefully the parents
20 figure out where that is. When I say jail,
21 to a juvenile facility.

22 And not all counties have a juvenile
23 facility within their own county border, so
24 that means the child may be actually

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1 transported a substantial distance away.
2 Whereas the local town judge may have just
3 released them under, you know, ROR, released
4 on their own recognizance. Why is that
5 better for the youth?

6 EXEC. DIRECTOR GREENE: So we want to
7 change that structure under this proposal so
8 that that immediate arraignment could be
9 available to the young person now.

10 ASSEMBLYMAN GOODELL: But it's not
11 part of the current proposal?

12 EXEC. DIRECTOR GREENE: It is part of
13 the proposal, yes. It is part of the
14 proposal, to allow a magistrate to do that

15 arraignment if Family Court is closed.
16 ASSEMBLYMAN GOODELL: Okay. Secondly,
17 as I understand it, you treat felonies in two
18 different ways. The current violent felonies
19 still go initially to the Criminal Court.

20 EXEC. DIRECTOR GREENE: Right.

21 ASSEMBLYMAN GOODELL: Then how is the
22 referral to Family Court made? Is that made
23 by the judge in Criminal Court? And is there
24 any presumption on the current violent

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1 felonies?

2 EXEC. DIRECTOR GREENE: So the violent
3 felonies fall into two buckets --

4 ASSEMBLYMAN GOODELL: I understand
5 that. So the existing bucket, not --

6 EXEC. DIRECTOR GREENE: Of juvenile
7 offender offenses that are violent felonies?

8 ASSEMBLYMAN GOODELL: Yes, right.

9 EXEC. DIRECTOR GREENE: Those would,
10 except for Robbery 2, subdivision 2. The
11 rest of them would stay exactly how they
12 function now. So there is a capacity to
13 remove them to Family Court with DA consent
14 at several points along the way in the
15 process, and that would remain. Nothing
16 would change about that.

17 ASSEMBLYMAN GOODELL: Okay. And then
18 on the other one, the new bucket, if you
19 will, there's a presumption referral and the
20 DA has to present evidence to rebut that

21 presumption in order to keep it in Criminal
22 Court; correct?

23 EXEC. DIRECTOR GREENE: Yes, the DA
24 has to make a showing. The bill is silent

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1 about what kind of showing that needs to be.

2 ASSEMBLYMAN GOODELL: Now, you
3 mentioned there are 700 minors in local
4 jails.

5 EXEC. DIRECTOR GREENE: Yes.

6 ASSEMBLYMAN GOODELL: Have those 700
7 been convicted, or are they awaiting trial?

8 EXEC. DIRECTOR GREENE: They are
9 largely awaiting trial. I don't know off the
10 top of my head the breakdown, but I can tell
11 you the majority of them are awaiting trial.

12 ASSEMBLYMAN GOODELL: So these would
13 be minors who couldn't raise the bail, and so
14 they're a flight risk as determined by a
15 judge. Those minors, under this proposal,
16 would no longer be in county jail but would
17 be in a juvenile detention facility instead?

18 EXEC. DIRECTOR GREENE: Yes.

19 ASSEMBLYMAN GOODELL: And you said
20 there are a hundred minors in state prison?

21 EXEC. DIRECTOR GREENE: Approximately.

22 ASSEMBLYMAN GOODELL: So these would
23 be convicted; right?

24 EXEC. DIRECTOR GREENE: Yes. Yes.

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1 ASSEMBLYMAN GOODELL: And the cost of

2 this program is \$110 million?

3 EXEC. DIRECTOR GREENE: That's the
4 capital budget to help develop the capacity
5 to house these young people in youth
6 facilities. There is a --

7 ASSEMBLYMAN GOODELL: And what's the
8 total budget?

9 EXEC. DIRECTOR GREENE: There is a
10 \$25 million appropriation in this current
11 budget which will provide some seed money for
12 a bunch of community-based services.

13 A big part of this proposal is having
14 the interventions at the community-based
15 level that work for adolescents. And we need
16 to do some work to develop that, because we
17 don't do that for 16- and 17-year-olds right
18 now. So there is some seed money to start
19 those services so that when we get to the
20 effective date -- the 16-year-olds would
21 phase in January 1, 2017. So there's some
22 seed money to start the community-based
23 services in this budget that will grow in
24 next year's budget.

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1 ASSEMBLYMAN GOODELL: So just looking
2 at cost -- because we have a lot of competing
3 demands, as you can appreciate, and so we're
4 always looking at how we can best invest
5 state resources to get the biggest bang for
6 the buck, of course. And sadly, that means
7 that sometimes we have to do cost

8 evaluations, you know, cost effectiveness.

9 So what we're being asked to do is
10 appropriate \$135 million to \$145 million to
11 get a hundred kids out of state prison? I
12 mean, that's \$1.3 million to \$1.4 million per
13 child. And I understand it will also take
14 700 kids out of local jails -- which are easy
15 for their parents to visit -- and instead put
16 them in regional juvenile detention
17 facilities. So that's what we're being asked
18 to appropriate?

19 EXEC. DIRECTOR GREENE: Well, I think
20 it's bigger than that, what you're being
21 asked to do.

22 ASSEMBLYMAN GOODELL: "Bigger" meaning
23 more expensive? Or --

24 EXEC. DIRECTOR GREENE: Meaning the

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1 goals are bigger than that. So it certainly
2 is a goal to get the minors out of prison,
3 and it certainly is a goal to get them out of
4 jails. It's also a goal to provide services
5 that will reduce their reoffending. So, you
6 know, we've seen that the rates --

7 ASSEMBLYMAN GOODELL: If I may, I -- I
8 apologize.

9 EXEC. DIRECTOR GREENE: Yup.

10 ASSEMBLYMAN GOODELL: Of the hundred
11 that are in prison, those would be in prison
12 under the current structure, where they might
13 have a life sentence?

14 EXEC. DIRECTOR GREENE: Very, very few
15 of them have a life sentence.

16 ASSEMBLYMAN GOODELL: Or a multi-year
17 sentence that goes well beyond their age 21.
18 Would they still stay in prison, under this
19 proposal?

20 EXEC. DIRECTOR GREENE: Yes. Anybody
21 who has a sentence that would carry them into
22 basically their adult years would transfer to
23 the DOCCS system.

24 ASSEMBLYMAN GOODELL: So this is

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1 \$135 million to \$140 million to transfer
2 700 kids from local jail into juvenile
3 detention?

4 EXEC. DIRECTOR GREENE: That's a piece
5 of it.

6 CHAIRMAN FARRELL: Mr. Goodell, thank
7 you.

8 ASSEMBLYMAN GOODELL: Thank you.
9 Thank you, Chairman.

10 CHAIRMAN DeFRANCISCO: Senator Savino.

11 SENATOR SAVINO: Thank you.

12 First, I want to thank both of you for
13 coming over and providing a succinct
14 explanation of this very important policy
15 that some of us have been working on for
16 several years now. And it is very
17 complicated. You know, we're dealing with
18 juvenile delinquents, we're dealing with
19 youthful offenders, we're dealing with young

20 adults. Basically we're dealing with, you
21 know, changing the way we process these young
22 people.

23 So I'm just going to ask you a couple
24 of specific questions that I think Senator

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1 Young touched on, but I want to make sure I
2 also understand it. It's with respect to
3 pretrial detention. So my concern is where
4 we're going to house these young people and
5 the detention facilities, and who's going to
6 actually supervise those detention
7 facilities.

8 EXEC. DIRECTOR GREENE: Sure. So
9 there is some existing detention capacity
10 that's not being used right now. Our
11 detention numbers have dropped dramatically,
12 along with our placement numbers in the last
13 few years. So some of the empty capacity can
14 be used for this population.

15 There will need to be some new
16 capacity. And there are some parts of the
17 state that secure detention capacity is very
18 far from them. So there will be a need to
19 develop some new capacity in targeted places.

20 Juvenile detention is overseen and
21 regulated by OCFS, and that would not change
22 under this proposal.

23 SENATOR SAVINO: And these facilities
24 which would be secure detention facilities,

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1 they would be overseen by OCFS staff
2 directly? We're not talking about
3 contracting them out?

4 EXEC. DIRECTOR GREENE: They would not
5 be operated -- they are locally operated, and
6 localities do it differently. Some of them
7 contract with a not-for-profit, sometimes
8 probation runs them, sometimes DSS runs them.
9 Everybody does it differently. And they are
10 regulated by OCFS, not operated.

11 SENATOR SAVINO: I would very strongly
12 recommend that the secure detention
13 facilities be directly run by either the
14 county government or the state through OCFS,
15 and not contract them out to nonprofits.
16 Because while some nonprofits do a wonderful
17 job, not all of them do. And we're talking
18 about a specific population of young people
19 here.

20 Within these new detention facilities,
21 are we also going to be having, you know, the
22 services that could potentially help these
23 young people? Because most of them, as we
24 know, they're what we call cross-systemized.

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1 They've come from the foster care system,
2 they've gone into the juvenile detention
3 system, and what we don't want to see is that
4 this new program becomes a layover on the way
5 to adult prison after they're released.

6 So can we expect that there's going to
7 be an investment in mental health services
8 and educational services and family
9 engagement? We want these young people to go
10 home at some point and have a productive life
11 afterwards. But if you send them back to
12 where they came from where there are problems
13 there, we know what the outcome is going to
14 be. So is part of our investment addressing
15 those issues?

16 EXEC. DIRECTOR GREENE: It's a
17 significant part of the investment.

18 So there is a lot of research that
19 shows when we do things that we know work
20 with young people, they don't recidivate.
21 Right? And that's our goal, is to keep these
22 young people from becoming the cyclical adult
23 offender.

24 So there is a new capacity to provide

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1 probation assessment in services to kids who
2 are going to stay in the criminal court while
3 their cases are pending, which doesn't exist
4 right now, and also a lot of language in the
5 bill about developing an effective continuum
6 of services. Family engagement
7 specialists are specifically named as one of
8 the services that could be supported. We
9 hear it's so important to get the family
10 on board, to get the kids to the services.

11 SENATOR SAVINO: Absolutely.

12 EXEC. DIRECTOR GREENE: So that is a
13 huge part of the investment. What I have
14 said before, you know, I think it's bigger
15 than just shifting the kids out of the
16 facilities, it's about getting them the
17 interventions we know work that prevent them
18 from coming back.

19 So in the analysis done by the
20 commission, if those evidence-based
21 interventions are provided, we estimated that
22 between 1500 and 2400 crime victimizations
23 would be avoided every five years as a result
24 of the reductions in recidivism among this

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1 populati on.

2 So really this is -- you know, it's
3 about doing what's right for kids and
4 families, but it's also about doing what's
5 right for public safety, doing what's right
6 for our communities to make us all safer.

7 SENATOR SAVINO: And finally, I know
8 you said there's 700 young people who could
9 potentially be adjudicated under this new
10 program that are in county jails, and about a
11 hundred in state prisons. Is that a
12 consistent number, or is that a low
13 estimation? So can we anticipate that every
14 year we'll probably have about that 800 young
15 people in this same category?

16 EXEC. DIRECTOR GREENE: It's a
17 projecti on. We have project ed -- arrest

18 rates have gone down, we're seeing they went
19 down in 2014 again. So it may be a number
20 that goes down even more.

21 One of the interesting things, the
22 most fascinating things about Connecticut and
23 Illinois, they were -- you know, when they
24 were in the seat we're in right now and they

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1 were projecting cost and volume, Connecticut
2 thought they were going to have to build a
3 new juvenile detention facility, they
4 budgeted for that, just like we're budgeting
5 for new capacity. When they made the change,
6 they saw their numbers dip substantially.
7 Never built the new facility -- in fact, they
8 closed a facility because their system
9 utilization went down so much. And it was
10 largely a result of having effective
11 community-based evidence-based interventions
12 that were working for young people.

13 So while we're projecting and
14 expecting that population -- we feel like
15 it's irresponsible not to plan for them --
16 there's also kind of a hope that we'll see
17 the same changes that Connecticut and
18 Illinois experienced and that the system
19 utilization will not stay at the same level
20 it is now.

21 SENATOR SAVINO: We certainly hope so.

22 Finally, I just want to thank both of
23 you for coming and really providing, to my

24 way of thinking, a very in-depth explanation

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1 of a very complicated social policy that is
2 way long overdue in this state. So thank you
3 both.

4 EXEC. DIRECTOR GREENE: Thank you.

5 CHAIRMAN FARRELL: Assemblywoman
6 Walker.

7 ASSEMBLYWOMAN WALKER: Hello. And I
8 just want to first introduce myself. I am
9 Assemblywoman Latrice Walker, and I likewise
10 represent the community of Brownsville. And
11 it's a community that I was born and raised
12 in, so I am particularly sensitive to the
13 issues that you're discussing today.

14 One of the things that I don't really
15 hear much commentary on is just the psychic
16 effect that this process will have on young
17 people. I do realize that there's a lot of
18 educational damage that takes place, but when
19 you're living a life in jail where there's
20 abuse and isolation and cruelty, and you're
21 16 years old, it's a level of PTSD that I
22 believe that affects these young people. And
23 I'd like to know a little bit about the
24 mental health services that get provided to a

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1 young person going through that process.

2 In addition, many of these young
3 children are family members of other people
4 who are imprisoned. Sometimes there will be

5 a father and a son and maybe even a mother
6 I've seen in situations. What kind of
7 wraparound services gets provided to families
8 where generations of individuals have gone
9 through the criminal prison system?

10 And lastly, I'd like to know what
11 connections have been made in terms of
12 reentry for these young people once they are
13 released back into, nine times out of 10, our
14 New York City Department of Education, in
15 terms of a follow-through for many of the
16 young people so that they can go on, graduate
17 from high school, go on to college so that
18 they don't recommit themselves through this
19 process?

20 EXEC. DIRECTOR GREENE: Sure. So I'll
21 start with the mental health services
22 question. So I think as you know, right now
23 these young people in the jails and the
24 prisons, they get the services that are

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1 available for every other adult in jail and
2 prison. And the ratios of staff to folks who
3 need those services are very high in those
4 adult settings. So they aren't getting a
5 very tailored intervention, certainly not
6 tailored to adolescents, and not the time and
7 attention they really need.

8 Shifting them into this juvenile
9 model, even for the kids who would remain in
10 criminal court, they would be in youth

11 facilities. Right? So that model has a much
12 more robust focus on mental health treatment
13 and services. It has much lower staff-to-kid
14 ratios, there are social workers and
15 psychologists who are required as part of the
16 interventions provided to those young people.

17 So this shift will provide I think a
18 radical change in access to mental health
19 services for young people.

20 On reentry, if I could take that one
21 second, there are several proposals that the
22 commission came up with to enhance reentry
23 services.

24 I think the biggest piece and the

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1 piece that is addressed that requires
2 legislation, is addressed by the legislation,
3 is that right now for current juvenile
4 offenders who are processed through the
5 criminal system and go to youth facilities --
6 because we do that already with our 14- and
7 15-year-olds -- every entry is overseen by
8 DOCCS, yet their time in confinement is run
9 by OCFS. And there's a real disconnect. We
10 heard from lots of people in the field that
11 planning for release and return home in a
12 successful way is very difficult when the
13 entity that's housing you is different than
14 the entity that's planning and going to be
15 supervising you.

16 So the legislation would change that

17 model so OCFS would provide the post-release
18 supervision for young people leaving their
19 facilities, to really support what we know is
20 best practice is reentry planning from the
21 day you come in for your return home in a
22 successful way and for a real continuity of
23 care. So that's, I think, a really important
24 part of all of these proposals. It doesn't

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1 end when you walk out the door.

2 And on the intergenerational, you
3 know, that is a harder question to answer for
4 sure. I think the one thing that this
5 proposal would touch on with that is this
6 panoply of services. And a lot of the
7 services that work with adolescents are
8 family services that require intervention
9 with the whole family unit. And adding the
10 capacity to have those services available for
11 this older adolescent population I think will
12 be critical to starting to address some of
13 those intergenerational issues.

14 ASSEMBLYWOMAN WALKER: Well, one of
15 the -- I heard you mention DOCCS and how they
16 follow them, I guess, would be maybe
17 something like a probation or a parole. For
18 the most part, I've seen that process look
19 like you show up someplace, you check in, you
20 say hi, you go on your way. Or somebody will
21 come by your home, knock on your door, you
22 come to the door, hey, I'm here, they leave,

23 and that's basically the beginning and the
24 end of the services {using air quotes} that I

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1 hear.

2 So I would like to kind of get a sense
3 of exactly what do these services look like.
4 And the services that have been provided,
5 what is the success rate in terms of young
6 people who start at one level of the spectrum
7 and they follow through to completion?

8 Also as it relates to this whole
9 system of job creation or employability, one
10 of the things that I've noticed even as a
11 criminal defense attorney is when young
12 people go through the system and they get
13 sometimes these ACDs or they get these sealed
14 records, they're never really sealed, and it
15 still is a castration of their ability to be
16 able to move forward in life.

17 So I'd also like for you to explore a
18 real and significant change to how
19 certificates of relief from disability is
20 really looked at across our state. Because
21 although in policy it's an excellent
22 opportunity, in practice it never really
23 realizes its true goals.

24 So, you know, I'd love to continue the

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1 conversati on with you. I also invite you to
2 Brownsville. I heard my Senator constantly

3 ask one of the other, what do you call it,
4 the other presenters, sorry, about them
5 coming -- do they know where Brownsville is.
6 So I would just -- you know, I open up the
7 door. We have some very significant
8 situations that we're dealing with concerning
9 crime and violence in our community, since
10 most of the murders that I heard mentioned
11 are committed by people 13, 14 and 15 years
12 old.

13 So it's a real crisis. It's a public
14 health situation. And it's also something
15 that requires many different agencies to be
16 able to work together to rectify.

17 So I thank you for your time.

18 GOVERNOR'S COUNSEL DAVID:
19 Assemblymember Walker, just to supplement the
20 earlier response, in addition to this
21 legislation that the Governor is advancing,
22 you should be aware of two separate programs
23 that we've advanced over the past few years.
24 One is Work for Success, which is a program

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1 that focuses on connecting formerly
2 incarcerated people to jobs. We have
3 thousands of employers that are participating
4 in that program. We also have thousands of
5 formerly incarcerated people that now have
6 jobs as a result of it.

7 The Department of Corrections, along
8 with the Department of Labor, conducts a risk

9 assessment to determine whether or not the
10 individual is a high risk/high needs or low
11 risk/low need. And based on that assessment,
12 we connect those job seekers to jobs.

13 Further, the Governor launched a
14 Reentry Council last year, and that council
15 is tasked with identifying barriers to
16 reentry, whether it be housing or employment
17 or public accommodations or credit,
18 identifying those barriers and working
19 systematically to remove them.

20 And so that commission will be
21 advancing proposals over the next few months
22 that the administration is going to be
23 looking at. A number of the issues that you
24 raise are certainly issues that we're aware

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1 of, ranging from certificate of relief to
2 employment obligations and/or barriers. We'd
3 be more than happy to talk to you in more
4 detail about those.

5 ASSEMBLYWOMAN WALKER: Thank you.

6 CHAIRMAN FARRELL: Thank you.

7 Senator?

8 CHAIRMAN DeFRANCISCO: Senator
9 Hamilton.

10 SENATOR HAMILTON: Yes, good morning,
11 good afternoon.

12 I just want to say -- I want to echo
13 on Assemblywoman Latrice Walker. We both
14 cover the Brownsville area, and I've walked

15 through every housing development from the
16 top floor to the first floor. And if you
17 want, you can accompany me one day and we can
18 walk through together to see the conditions
19 that are really happening in Brownsville. I
20 always say we don't do drive-bys, we go from
21 the top floor to the bottom floor.

22 And the city conditions there would
23 make anybody feel compelled to do something
24 to make a change. And that's why

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1 Assemblywoman Latrice Walker talks so
2 passionately about it, because once you see
3 the conditions there, you want to make some
4 type of meaningful change.

5 Getting back to the prison population
6 in the state, you mentioned 100 with the
7 state, 700 with the local county jails. Of
8 the 700, how many come from the Borough of
9 Brooklyn?

10 EXEC. DIRECTOR GREENE: I would have
11 to look that up for you.

12 I know that in New York City they have
13 about 250 minors at Rikers Island. I don't
14 know how many of them are borough -- borough
15 by borough.

16 SENATOR HAMILTON: So it's 250 out
17 of the --

18 EXEC. DIRECTOR GREENE: Seven hundred.

19 SENATOR HAMILTON: -- all of New York
20 City?

21 EXEC. DIRECTOR GREENE: Two hundred
22 fifty out of the 700 are in New York City
23 jail.

24 SENATOR HAMILTON: So approximately

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1 like a third of the juvenile detainees come
2 from New York City?

3 EXEC. DIRECTOR GREENE: Yes.

4 SENATOR HAMILTON: Okay. So also with
5 that population, is there a mental health
6 component? Assemblywoman Latrice Walker
7 talked about that. Because I believe a lot
8 of these children need mental assistance.
9 There's been a study done that many of the
10 gang members in Brownsville have similar
11 mental stress as veterans coming back from
12 Iraq due to the high murder rate in that
13 area.

14 And also, what's the suicide rate
15 component of the youth in your facilities,
16 per year?

17 EXEC. DIRECTOR GREENE: So there is
18 national data that shows that minors in adult
19 facilities are eight times more likely to
20 commit suicide than minors in youth
21 facilities. We do not have that New York
22 State-specific. But that's what the national
23 data tell us.

24 SENATOR HAMILTON: And the eight times

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1 the suicide rate for youth, what age range

2 are we talking about?

3 EXEC. DIRECTOR GREENE: So those are
4 youth under 18.

5 SENATOR HAMILTON: Under 18? Okay.

6 I always talk about the prison
7 industrial complex. A lot of the youth in
8 New York City are being sent to upstate
9 prisons, and I'm glad because a lot of those
10 are closing. You talked about the Missouri
11 model, and I just need a little clarification
12 on the Missouri model -- the facilities, the
13 number of children in those facilities, and
14 the services they do get.

15 EXEC. DIRECTOR GREENE: So the
16 Missouri model is a series of both secure and
17 non-secure facilities. They house their most
18 serious young offenders there, and they house
19 their less serious offenders in their less
20 secure facilities. They are small in size.
21 They are modeled on a group dynamic where
22 that -- the same group of young people are
23 together from the minute they wake up to the
24 minute they go to bed. They do everything

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1 together. And the whole experience of being
2 in that facility is therapeutic.

3 So instead of saying, oh, it's time
4 for your counseling session, go see your
5 therapist, they are constantly working
6 together. It's really kind of like a
7 restorative justice model, if you're familiar

8 with that, where they get in circles and they
9 deal with all their stuff all day long. And
10 it really embraces peer leadership, so young
11 people who have been there for a while who
12 really buy into "We need to figure out in our
13 own heads how, when we go home, things are
14 going to be different, because it's not going
15 to be easy when we go home," right, they
16 support each other.

17 SENATOR HAMILTON: What's the average
18 number of children in one facility in the
19 Missouri model?

20 EXEC. DIRECTOR GREENE: So they run
21 their housing units in groups of eight to 10.
22 Now, you might have, in one facility, several
23 different housing units. Right? So you
24 could have four or five of those units in one

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1 facility. But they function as individual
2 units.

3 SENATOR HAMILTON: So with the
4 Missouri model, you mentioned that we're
5 going to simulate that in New York City.
6 What's the average size for similar
7 facilities in New York City as far as
8 children being located with them?

9 EXEC. DIRECTOR GREENE: That's a hard
10 question to answer. So the Close to Home
11 programs that have been developed in New York
12 City, many of them are modeled on the
13 Missouri model. Not all of them, but many of

14 them are. And they are operating with those
15 kinds of ratios now.

16 The OCFS secure facilities that are
17 still housing the most serious young
18 offenders from New York City, OCFS has been
19 working to maintain those same kinds of
20 ratios in their existing facility structure.

21 SENATOR HAMILTON: So since 25 percent
22 of the budget of the children incarcerated
23 come from New York City and the capital
24 budget is \$110 million, is it the same

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1 correlation as far as money being sent to the
2 city to implement a Missouri model, which you
3 recommended, to have small facilities of
4 kids, from eight to 10 kids in a cluster and
5 no more than -- you know, so is that going to
6 happen in New York City where we're going to
7 have clusters of eight to 10 children within
8 a facility -- within -- a cluster within a
9 larger program?

10 EXEC. DIRECTOR GREENE: So some of the
11 funding for New York City will flow through
12 the Close to Home funding mechanism for kids
13 that are the less serious offenders who go to
14 Close to Home.

15 The more serious secure care is not
16 provided directly by New York City and is not
17 envisioned to be provided directly by
18 New York City, it's provided by OCFS.

19 SENATOR HAMILTON: So with the

20 \$25 million going to community-based
21 organizations, how much of that is coming to
22 Brooklyn?

23 EXEC. DIRECTOR GREENE: So the
24 \$25 million -- I didn't actually get to

♀ 168

1 finish the whole thing. So there's seed
2 money for services. There is also a
3 commitment in this legislation, there was a
4 real push by lots of people we talked to to
5 stop sending minors to state prison as
6 quickly as we could. And because that is a
7 relatively small population, it's something
8 that is more manageable to do more quickly.

9 So under the legislation, as of
10 December 1, 2015, newly sentenced youth who
11 are 16 or 17 at sentencing and are sentenced
12 to state prison would go to OCFS instead of
13 DOCCS. So we would begin to phase those
14 minors out of the DOCCS system the most
15 quickly of anything that we would do.

16 So some of that \$25 million is to
17 support the residential capacity in youth
18 facilities for shifting those 16- and
19 17-year-olds out of DOCCS.

20 SENATOR HAMILTON: So before my time
21 runs out, would there be a correlation
22 between youth under your jurisdiction and
23 funding on the capital side and on the
24 nonprofit side? Or, I mean, how would you

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1 develop appropriating capital funding and how
2 do you determine which communities get it?
3 How is that based?

4 EXEC. DIRECTOR GREENE: I think that
5 plan is still under development.

6 GOVERNOR'S COUNSEL DAVID: It's under
7 development, in part because --

8 SENATOR HAMILTON: So I guess we could
9 talk about it later on, myself and --

10 GOVERNOR'S COUNSEL DAVID: In part
11 because, to Jacqui's point, we thought it
12 would be fiscally irresponsible if we did not
13 plan for the capital funding. But we
14 anticipate that as the program is implemented
15 as of January of 2015, we may make
16 modifications to our plan. But of course we
17 have to plan to ensure that we have the
18 facilities that are built for those kids.

19 SENATOR HAMILTON: So we'll have
20 ongoing dialogue as we move forward.

21 GOVERNOR'S COUNSEL DAVID: Absolutely.

22 SENATOR HAMILTON: All right, thank
23 you very much.

24 CHAIRMAN DeFRANCISCO: Thank you.

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1 CHAIRMAN FARRELL: Assemblywoman
2 Davila.

3 ASSEMBLYWOMAN DAVILA: Thank you. I
4 have a couple of questions in terms of the
5 Governor's budget. None of us here, I don't

6 think, is exempt from having a family member
7 or someone that they know, a friend or close
8 friend that has a child that has issues or
9 are probably going through the system right
10 now.

11 My question is that -- and I want to
12 concur with our Assemblywoman Walker. It
13 seems monotonous when we have this type of
14 money that the government is giving to
15 not-for-profit agencies that are supposed to
16 be providing these services for these young
17 people before they become incarcerated.
18 They're not working. They simply are not
19 working, because it becomes monotonous. It's
20 the same thing as she said. They go in, get
21 tested, and that's it. And they go out.

22 There is no service that I am aware
23 of -- and I grew up in Bushwick, and I'm the
24 Assemblywoman there. So coming from

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1 Bushwick, you see it all. I have not seen
2 yet a program that deals with the parents
3 that want to get their children help at this
4 moment, before it happens. It's always after
5 they're incarcerated, after the fact. And
6 then they're sent into a psychiatric ward for
7 evaluation or whatever the case might be.
8 Then they're prescribed medication. So if
9 they're smoking marijuana, now they're going
10 to a different level of drugs. Right? To be
11 dependent, to keep them calm.

12 Because everything right now -- when I
13 grew up, nothing like that existed. Right?
14 But what I see is a 380. Every time you try
15 to make a move or a parent tries to get help
16 for their children, they go to Family Court,
17 there's nothing. They send them to different
18 not-for-profit agencies. When they go,
19 there's a two-or-three-month wait. And in
20 two and three months, anything can happen.
21 Anything can happen.

22 So my question to you is, what type of
23 help -- and also keep in mind that we have a
24 lot of people that do not understand the

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1 English language. They come from other
2 countries. And to them, it's the norm that
3 their child behaves in a certain way. But
4 it's not acceptable to the United States.

5 So again, we have a lot of things that
6 we need to tackle. And my question to you
7 is, how is the Governor going to set aside
8 something, in accordance to the money that is
9 supposed to be allocated, for prevention?
10 Because the word is prevention, before they
11 go into the system. Because I've had plenty
12 of mothers coming to my office saying "I need
13 help." Guess what? There's only one place I
14 can send them: Go to Family Court. They go
15 to Family Court, what happens? We can't do
16 nothing, your child hasn't committed a crime.
17 They have not committed a crime, so we can't

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do anything for you.
Go to the Children's Aid Society.
Wonderful. Same thing. The child has not
committed a crime. They send them to a
psychiatrist. The psychiatrist prescribes
medication to keep them calm. It does not
make sense.

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We need to start thinking about
prevention and start thinking about social
life and how people live within their own
households, and start understanding that
before we send them to Rikers or any other
jail or prison. So I'm just asking to please
take that into account, take that back to the
Governor, that prevention comes first.
EXEC. DIRECTOR GREENE: Yeah. And
there is -- that is certainly something we
heard from a lot of people, why do you have
to get in trouble before you can get help, we
heard that from a lot of people across the
state.
And so there is a provision in this
proposal that would create family support
centers, which is also something we saw work
really well in Connecticut. And it is a
structure that provides crisis intervention;
respite opportunities so you can get a little
break if you need it, but you don't have to
go to placement; connection, quick connection
to services; and a 24/7 response. So instead

24 of getting a "Come see me in two months when

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1 I have an appointment," there's somebody you
2 can call right away.

3 So that would be created by this
4 proposal.

5 GOVERNOR'S COUNSEL DAVID: In
6 addition, the proposal itself would require
7 that all of the agencies that are interfacing
8 with the public communicate in the language
9 that the members understand. So language
10 access would be attached to these services as
11 well.

12 ASSEMBLYWOMAN DAVILA: And that's
13 awesome. And I've done my research in terms
14 of this issue, and what I understand to be a
15 preventive measure is allocating funding or
16 using different churches -- which is a good
17 place -- and parents meeting once a month.

18 But again, there's nothing concrete
19 within the Family Court services before they
20 go into the system that allows them
21 prevention, real prevention. Not just
22 shifting them everywhere. Because our courts
23 are overcrowded. We go to Family Court on a
24 Wednesday -- I even know the dates. You go

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1 to Family Court on a Wednesday in Brooklyn
2 and I guarantee you, you will leave there in
3 tears because there are parents there
4 screaming and crying, trying to find help for

5 their children, and they have nothing.

6 CHAIRMAN DeFRANCISCO: Thank you.

7 Senator Young.

8 SENATOR YOUNG: Thank you.

9 I just had a couple more questions.

10 You said that there are fewer than a
11 hundred youth in state prisons right now who
12 are 16- and 17 years old. The Senate checked
13 yesterday. There are 97 as of yesterday. It
14 would be helpful, I think, if we were able to
15 receive a report on what crimes those youth
16 were convicted of. Because I think you
17 mentioned that they were not violent crimes,
18 for the most part.

19 So to get that list and also what
20 their sentencing length is, how long they
21 would be there. And also it would be helpful
22 to have a sketch of a plan as to where -- you
23 know, it doesn't have to be real specific,
24 but in general where you would place those

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1 youth. You said you want to divert them to
2 youth facilities as soon as possible. So
3 where would they go? That would be really a
4 helpful thing to have.

5 The other thing is I haven't seen in a
6 couple of years a report -- and maybe one
7 exists. But it would be helpful to get a
8 two-year report on youth-on-youth violence in
9 OCFS facilities over the past couple of
10 years, and also youth-on-staff violence,

11 assaults, staff assaults over the past couple
12 of years.

13 And finally, I was interested in your
14 remarks about parole and how youth would be
15 supervised upon release. Were you saying
16 that the parole system would not be involved
17 anymore?

18 EXEC. DIRECTOR GREENE: So the bill
19 would switch from an indeterminate to a
20 determinate sentencing structure. The
21 determinate sentencing structure would carry
22 with it a mandatory period of post-release
23 supervision that would be set as part of the
24 sentence at sentencing, and not as a result

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1 of a appearance before the parole board.

2 SENATOR YOUNG: So say somebody
3 committed a crime and they are transferred
4 from an OCFS facility to a state prison
5 because they aged out, they hit 21, and then
6 they're released a couple of years when
7 they're 23. Who would do the supervision?

8 EXEC. DIRECTOR GREENE: DOCCS would
9 supervise that person.

10 SENATOR YOUNG: DOCCS would supervise.
11 So this is strictly --

12 EXEC. DIRECTOR GREENE: Anybody
13 released from DOCCS would be
14 DOCCS-supervised.

15 SENATOR YOUNG: Oh, okay. So this is
16 strictly youth coming out of OCFS facilities.

17 EXEC. DIRECTOR GREENE: That's right.
18 That's right.

19 SENATOR YOUNG: How would that be
20 structured? And the reason I ask -- you
21 know, I've been involved in this for a long
22 time. In 1999, Penny Brown was murdered in
23 my district, in Salamanca, by a 15-year-old.
24 And, you know, he was sentenced to nine years

♀ 178

1 to life. He was at a secure youth facility
2 under OCFS and then transferred. He still is
3 in state prison.

4 But prior to him committing the
5 murder, he was under supervision of OCFS, or
6 supposed to be, by a caseworker because he
7 had committed, I think, some sexual assault
8 crimes previously. And I believe that the
9 OCFS worker was not in contact with him. And
10 part of it is geographical. So if you look
11 at the rural areas of the state, this OCFS
12 caseworker was supposed to be coming from
13 Buffalo to Olean. That's two hours away.

14 So if you're going to do this
15 post-release supervision -- and I think we
16 should do therapy, I think we should do
17 rehabilitation -- but structurally, how can
18 that work? Because this is a very, very
19 large state. There's a lot of miles in
20 between some of the larger population centers
21 in the rural counties.

22 And my concern is that we would have

23 more tragedies and people falling through the
24 cracks because it may be impossible to spread

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1 OCFS workers who are supposed to be
2 supervising these youth in the areas where
3 they're needed.

4 EXEC. DIRECTOR GREENE: Yeah. So I
5 think as OCFS gets this new population,
6 they're also going to need some new staffing
7 support. And it will be important to look
8 closely at where that staff is located to
9 make sure the entirety of the state is
10 covered, for sure.

11 SENATOR YOUNG: Okay. So like, you
12 know, say in the Southern Tier, would it --
13 are you saying that there should be some in
14 the rural areas and not just the urban areas?

15 EXEC. DIRECTOR GREENE: I'm saying
16 that we need to make sure there's coverage.
17 Everywhere there's a young person who's on
18 supervision, there is OCFS coverage.

19 SENATOR YOUNG: Okay. Thank you.

20 CHAIRMAN DeFRANCISCO: The last
21 questioner is Senator Hoylman.

22 SENATOR HOYLMAN: Thank you, Senator.

23 I want to first thank the commission
24 for their hard work and for their outstanding

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1 report, as well as the administration for
2 moving forward with a more rehabilitative

3 model for kids that has fewer restraints and
4 more support.

5 And I wanted to ask you specifically
6 about the report. There are 38
7 recommendations. You've talked at length
8 about a couple of them. What about the other
9 37 recommendations, when will we see those?
10 And are any other recommendations being
11 implemented through the Executive Budget?

12 EXEC. DIRECTOR GREENE: Can I just say
13 it warms my heart that you even know there
14 are 38 recommendations. I'm so happy about
15 that.

16 (Laughter.)

17 EXEC. DIRECTOR GREENE: So every
18 recommendation that needs legislation is
19 included in the bill. I have not talked
20 about all of them; I know you have a long
21 hearing today. There are many, many pieces
22 to this bill that we haven't talked about but
23 briefed staff on yesterday and are happy to
24 continue to answer those questions with staff

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1 along the way.

2 A few of the recommendations in the
3 report don't require legislation, so
4 obviously they're not included in the bill.
5 There are some things that can be done via
6 regulation. And those are things that are,
7 you know, still I think underway, in
8 conversation with the Governor's office about

9 when and how to implement it. Obviously it
10 won't make sense to make these changes unless
11 the legislation passes and we have a new
12 structure that we need to implement.

13 SENATOR HOYLMAN: Thank you.

14 EXEC. DIRECTOR GREENE: Sure.

15 CHAIRMAN DeFRANCISCO: Thank you very
16 much. I, we all really appreciate your
17 coming. Because it's an important bill and
18 we've got to know what it means, and you
19 obviously have a command of it, and a lot of
20 the questions were answered. Thank you.

21 EXEC. DIRECTOR GREENE: Thank you.

22 GOVERNOR'S COUNSEL DAVID: You're
23 welcome. Thank you.

24 CHAIRMAN DeFRANCISCO: We're going to

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1 break for three hours because we're tired --
2 no, no.

3 (Laughter.)

4 CHAIRMAN DeFRANCISCO: The next
5 speaker is Sharon Devine, executive director
6 of the Office of Temporary and Disability
7 Assistance -- I think. Is that correct?
8 Because it was changed.

9 Whenever you're ready to go.

10 EXEC. DEP. COMMISSIONER DEVINE: So
11 good afternoon, Chairman Farrell, Chairman
12 DeFrancisco, members of the fiscal committees
13 and chairs of the Social Services Committees.
14 I'm Sharon Devine, and I am the new executive

15 deputy commissioner for the Office of
16 Temporary and Disability Assistance. I
17 started with OTDA just one week ago; however,
18 I am excited to work on programs that help
19 the people of our great state get back on
20 their feet.

21 Let me begin by sharing some of the
22 highlights of how the 2015-2016 Executive
23 Budget and the Governor's Opportunity Agenda
24 supports OTDA's core mission of enhancing the

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1 economic security of low-income working
2 families. This includes helping the
3 unemployed enter the workforce and providing
4 much-needed benefits and services to our most
5 vulnerable residents to help them achieve and
6 maintain stability, as well as enhancing
7 child well-being and reducing child poverty
8 in the state.

9 So homeless services. One of the
10 state's greatest challenges is addressing
11 homelessness, so it's no surprise that a key
12 element of the anti-poverty agenda is
13 investing in homeless services. The plan
14 includes an historic investment of over
15 \$400 million for homeless services over the
16 next several years. This investment,
17 combined with other state, federal and
18 locally funded programs, will really help us
19 make progress towards our common goal of
20 providing housing for individuals and

21 families that do not have a place to call
22 home.

23 Here are several of the ways that we
24 will address this issue:

♀ 184

1 The Executive Budget recommends
2 committing \$183 million of the JPMorgan Chase
3 settlement funds to support homeless services
4 over the next few years. This includes \$116
5 million to support 5,000 new supportive
6 housing units and \$40 million to help fund
7 New York City's Living in Communities -- LINC
8 1 -- rental assistance program. It also
9 includes \$27 million to continue the 30
10 percent cap on the rent contribution for New
11 York City public assistance recipients
12 diagnosed with HIV/AIDS.

13 The Executive Budget also includes
14 \$63.5 million for the bonded capital Homeless
15 Housing Assistance Program. This represents
16 the state's long-term commitment to
17 increasing the supply of affordable housing,
18 as well as providing necessary support
19 services for vulnerable populations. A
20 primary focus of this funding continues to be
21 the provision of permanent supportive housing
22 to homeless families and individuals with
23 disabilities and other life challenges, to
24 assist them in exiting out of emergency

♀ 185

1 shelters.

2 In addition to these resources, the
3 Executive Budget provides a \$31.68 million
4 appropriation for critical homeless services
5 and supports. That's a \$400,000 increase.
6 These supports are needed to prevent
7 evictions, ensure housing retention, and help
8 move individuals and families toward
9 self-sufficiency. The services are
10 administered by OTDA and delivered by
11 not-for-profit organizations across New York
12 State.

13 Reducing food insecurity is another
14 key element of OTDA's priorities. In 2013,
15 there was the Anti-Hunger Task Force that
16 created a statewide effort among experts,
17 advocates, and government officials to focus
18 on ending hunger and increasing access to
19 nutrition. In response to the
20 recommendations outlined by the task force,
21 the Executive Budget committed \$4.5 million
22 to bolster the state's emergency food system.
23 Those funds will help 2,600 emergency food
24 providers support New Yorkers who access

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1 emergency food programs each year.

2 OTDA supports numerous initiatives
3 designed to reduce food insecurity, eliminate
4 the stigma associated with receiving SNAP
5 benefits, and encourage the purchase of
6 healthy, nutritious foods. Our efforts to
7 increase access to and awareness of the

8 Federal Supplemental Nutrition Assistance
9 Program, or SNAP, have led to an increase in
10 SNAP enrollment among low-income New Yorkers,
11 from 61 percent in 2008 to 82 percent in
12 2013.

13 The percentage of SNAP applications
14 filed online statewide has increased from
15 4 percent in 2010 to over 36 percent in 2014
16 as a result of initiatives such as our
17 myBenefits portal. MyBenefits helps families
18 find information and apply for a wide range
19 of benefits, services, and supports.

20 During 2014, over 3 million
21 New Yorkers received more than \$5 billion in
22 SNAP benefits. These federal funds boost the
23 state's economy while helping people in need.

24 Last summer, the Summer Youth Program

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1 provided jobs for nearly 19,000 young people.
2 This year's Executive Budget includes a
3 \$30 million appropriation for the Summer
4 Youth Employment Program, which is a
5 \$2.5 million increase over 2014-2015. The
6 program provides low-income teens and young
7 adults with immediate and long-term benefits
8 from positive work experiences.

9 Child support. Another key component
10 of the state's and OTDA's commitment to
11 families and children is the Child Support
12 Enforcement Program, which benefits families
13 of all income levels. In 2014, the program

14 provided services to approximately 934,000
15 families in New York State and distributed
16 over \$1.8 billion in child support payments
17 on behalf of custodial parents and their
18 children.

19 New York State is always looking for
20 ways to provide high-quality services at a
21 lower cost. I am pleased to report that in
22 October 2014 OTDA assumed administration of
23 the Supplemental Security Income, SSI, and
24 State Supplement Program, SSP, from the

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1 federal government. Over 680,000 elderly,
2 blind and disabled individuals across the
3 state now experience excellent customer
4 service at a reduced cost to the state.

5 So going forward, I look forward to
6 working with the Governor, our partner
7 agencies, and all of you over the coming year
8 as we strive to improve the lives of the
9 state's most vulnerable populations. My goal
10 is to provide a bridge for these New Yorkers
11 while they get back on their feet, from the
12 young mother who is struggling to feed her
13 family and serve them healthy food to the
14 veteran who lost his job and then his home
15 while dealing with post-traumatic stress
16 disorder. There should be no stigma
17 associated with these temporary hard times
18 that people feel in their lives, but there
19 should be support from our government and our

20 communities. Everyone in society deserves a
21 hand up to help them move forward.

22 I thank you for the opportunity to
23 testify today, and I welcome your comments
24 and questions. But first I'd like to ask a

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1 couple of my colleagues to join me. I'd like
2 to have Linda Glassman, who leads our
3 Homeless Services Program, and Phyllis
4 Morris, who is our public assistance expert.
5 We're happy to take your questions now.

6 SENATOR KRUEGER: Thank you.

7 CHAIRMAN FARRELL: Thank you.

8 Questions, Senator?

9 SENATOR KRUEGER: Senator Felder.

10 SENATOR FELDER: Good afternoon.

11 EXEC. DEP. COMMISSIONER DEVINE: Good
12 afternoon.

13 SENATOR FELDER: I was wondering, as
14 part of the budget -- I think you talked
15 about a share -- I hope I have the right
16 person. You talk about establishing a
17 New York City share for expenditure on
18 emergency assistance to needy families. Is
19 that under your jurisdiction?

20 EXEC. DEPUTY COMMISSIONER DEVINE:
21 Yes.

22 SENATOR FELDER: Okay, good.

23 So I'm just wondering that you
24 mentioned that for the 2016 Executive Budget,

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1 you propose a 10 percent local share for
2 New York City only, to encourage fiscal
3 discipline and proper oversight. And it's
4 going to save you \$15 million in savings to
5 the state.

6 Now, I understood also -- I read the
7 three sentences before that as well. So I'm
8 just wondering, is this done anywhere else,
9 any other time? One could argue that the
10 mere fact that the state is paying it is not
11 necessarily the reason that the costs have
12 gone up 110 percent.

13 So if this is a uniform rule of some
14 sort that you're trying to implement across
15 the board, then that's fine. But we in
16 New York City know we're special, so we don't
17 need to be encouraged by having rules driven
18 just for us.

19 That was a question. The question
20 came first, and then came the statement.

21 EXEC. DEP. COMMISSIONER DEVINE:
22 Absolutely. So yes, you're correct, the
23 2015-2016 budget does propose a
24 10 percent local cost share for New York

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1 City. And that is unfortunate but necessary
2 as a result of the increased costs for the
3 EAF program in New York City. We've
4 experienced a doubling over the last two
5 years of those costs, so we think at this

6 point and stage it's prudent to ask for a
7 local share in order to offset that increase.

8 SENATOR FELDER: Well, I understood
9 what you said, but I'm going to ask the same
10 question again because I'd like to know
11 whether this is a rule that you're going to
12 apply uniformly, not only for New York City.
13 If you're saying that at any time that
14 there's an increase of cost, such as the
15 example, or whatever you decide -- an
16 increase of 50 percent, 100 percent,
17 110 percent -- that you're going to demand
18 that that locality incur a percentage of the
19 cost, even if I don't like it, I understand
20 it's going to be a uniform rule.

21 So is that a uniform rule that you're
22 going to apply, or are you only doing it
23 because you love us?

24 (Laughter.)

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1 EXEC. DEP. COMMISSIONER DEVINE: We
2 love you. However, there is an issue here, I
3 think, that we need to discuss. And one is
4 that we haven't seen that kind of doubling in
5 other communities.

6 And I think if you look historically
7 at how this program was funded, several years
8 ago there was a 25 percent share match. We
9 eliminated that rule, and as soon as we
10 eliminated that rule, the costs doubled. And
11 so at this point and stage, we need to

12 institute something back again. We're not
13 going back to 25 percent; however, 10 percent
14 seems like a reasonable measure.

15 SENATOR FELDER: So I'm just going to
16 assume that the answer to my question was
17 yes.

18 EXEC. DEP. COMMISSIONER DEVINE: Yes.

19 SENATOR FELDER: Okay. Thank you very
20 much.

21 EXEC. DEP. COMMISSIONER DEVINE:
22 You're welcome.

23 SENATOR KRUEGER: Assembly?

24 CHAIRMAN FARRELL: Thank you.

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1 Assemblyman Keith Wright.

2 ASSEMBLYMAN WRIGHT: Good afternoon,
3 Madam Commissioner. And did I hear you say
4 that you've been on the job a week?

5 EXEC. DEP. COMMISSIONER DEVINE: Yes.

6 ASSEMBLYMAN WRIGHT: One week.

7 EXEC. DEP. COMMISSIONER DEVINE: A
8 little over a week.

9 ASSEMBLYMAN WRIGHT: A little over a
10 week. And you've had to put together this
11 budget proposal in such short time. And
12 thank you for appearing.

13 A couple of questions. In going over
14 the housing -- I used to chair Social
15 Services, and in going over the housing
16 budget the other day, it seemed to me that a
17 lot of the homelessness budgets or

18 responsibilities were being transferred to
19 the housing budget. Could you explain that
20 or shed some light on that, it seems?

21 EXEC. DEP. COMMISSIONER DEVINE: I
22 don't think there was a transfer. I think
23 that the Governor's agenda includes funding
24 increases in a number of different places to

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1 address various housing issues. In the
2 Office of Temporary and Disability
3 Assistance, we are receiving \$400 million of
4 additional funds for homelessness -- I'm
5 sorry, not --

6 ASSEMBLYMAN WRIGHT: I'm talking
7 homelessness prevention, basically. I think
8 that's what I'm actually referring to.

9 EXEC. DEP. COMMISSIONER DEVINE:
10 Right. Absolutely. We're prevention-based.
11 And so out of the \$183 million that's set
12 aside from the JPMorgan settlement funds,
13 there's \$40 million that's going to be set
14 aside for New York City's Living in
15 Communities LINC-1 program, which is a rental
16 assistance for working families in shelters.
17 And there's also \$27 million for the new
18 30 percent rental cap on AIDS recipients.

19 So I don't think it's a shift, I think
20 we're focusing -- the state is focusing in a
21 lot of different areas of housing.

22 ASSEMBLYMAN WRIGHT: Okay, I'll go
23 back over the budget, because it seemed to me

24 that the homelessness responsibilities, if

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1 you will -- like it was being shifted more
2 over to HCR, to me. But I'll go back over
3 it, and suffice to say I'll be more -- I'll
4 be in contact with your office.

5 Now, when I was Social Services chair
6 we started a program out of OTDA, and I think
7 I've been very vocal about this program over
8 the past few years. And it's been a
9 successful program, called Career Pathways,
10 the primary purpose of which is to help
11 employ and train primarily black and brown
12 young men, disadvantaged youth, as the saying
13 goes.

14 And it's been a very successful
15 program, and I don't see that any money is
16 being put into it for this legislative
17 season, last legislative season, and the
18 legislative season before that. A very, very
19 successful program. And I would like to see
20 some resources being into that.

21 Could you talk about Career Pathways a
22 little bit?

23 EXEC. DEP. COMMISSIONER DEVINE: Yes.
24 Career Pathways is an important initiative,

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1 and unfortunately, you're correct, there
2 wasn't any funding in this year's budget for
3 it. My understanding is that it has been
4 provided, funding has been provided through

5 the enacted budget, and so that's a
6 negotiated program funding level. So we look
7 forward to --

8 ASSEMBLYMAN WRIGHT: Is there a
9 commitment from OTDA? Tell me something I
10 want to hear.

11 (Laughter.)

12 ASSEMBLYMAN WRIGHT: Tell me something
13 I want to hear, Madam Commissioner.

14 EXEC. DEP. COMMISSIONER DEVINE: So if
15 there is funding in the budget, we would love
16 to continue to administer the program. We
17 agree with you, it's a help and it's a
18 support. It also, you know, really helps to
19 support those individuals who really want to
20 get back to work. So we are --

21 ASSEMBLYMAN WRIGHT: Will OTDA be
22 advocating for such funding?

23 EXEC. DEP. COMMISSIONER DEVINE: We
24 would like to have the funding.

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1 ASSEMBLYMAN WRIGHT: Would OTDA be
2 advocating for such funding?

3 EXEC. DEP. COMMISSIONER DEVINE: You
4 know what, we can talk offline and --

5 ASSEMBLYMAN WRIGHT: For a successful
6 program, as you stated?

7 EXEC. DEP. COMMISSIONER DEVINE: Yes.
8 Yes. It is a success -- it has been a
9 successful program.

10 ASSEMBLYMAN WRIGHT: Is that the best

11 I'm going to get today?

12 EXEC. DEP. COMMISSIONER DEVINE: Yes.

13 (Laughter.)

14 EXEC. DEP. COMMISSIONER DEVINE: It's
15 a great program, and we're looking forward to
16 administering it if -- if it's in the budget.

17 ASSEMBLYMAN WRIGHT: All the
18 platitudes you can give to me about the
19 program, I'd love, because we do have you on
20 the tape here.

21 EXEC. DEP. COMMISSIONER DEVINE:

22 Right.

23 ASSEMBLYMAN WRIGHT: Summer Youth.

24 EXEC. DEP. COMMISSIONER DEVINE: Yes.

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1 ASSEMBLYMAN WRIGHT: Summer Youth. If
2 recollection serves me correctly, in the
3 budget we used to put somewhere in the --
4 around \$50 million annually, if I'm not
5 mistaken. During -- I guess maybe about
6 10 years ago, that was cut in half. And I
7 realize that you're putting in another
8 \$2.5 million, but quite frankly, the
9 \$30 million -- it's flattened out at around
10 \$30 million for the past five to six years.

11 It's not enough. It is not enough.
12 Being from one of the communities that
13 actually benefits from Summer Youth
14 Employment, and many communities especially
15 in the City of New York, and especially in
16 our cities upstate, it's a program that helps

17 keep our kids off the street, it stops the
18 idle time, and it -- I was a summer youth
19 employee when I was growing up. Well,
20 actually they called it Model Cities back
21 then, but same sort of concept.

22 And I think it's something that more
23 commitment should be made toward it, and I
24 just wanted to get that on the record.

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1 Interested in your thoughts about that budget
2 being increased as well.

3 EXEC. DEP. COMMISSIONER DEVINE:

4 Absolutely. We're pleased that the budget
5 has increased by \$2.5 million.

6 I am also a product of the Summer
7 Youth Program, and I enjoyed the experience
8 tremendously.

9 So the \$2.5 million is really going to
10 allow us to avoid a reduction in the number
11 of hours and/or the number of youth that can
12 participate. With the minimum wage increase
13 that went into effect in December of 2014, we
14 want to be sure to be able to have the youth
15 that want to participate again be able to do
16 that, so it will serve the same level of
17 youth --

18 ASSEMBLYMAN WRIGHT: Well, I am
19 interested in talking to you offline, online,
20 whatever way works for you in terms of Career
21 Pathways, number one. Also in terms of, I
22 mean, what I deem as a shift, what I deem as

23 a shift in financial responsibilities
24 regarding homelessness and certainly in terms

♀ 200

1 of advocating for Summer Youth.

2 Congratulati ons.

3 EXEC. DEP. COMMI SSIONER DEVINE: Thank
4 you.

5 ASSEMBLYMAN WRI GHT: Wel come to the
6 party.

7 (Laughter.)

8 CHAI RMAN FARRELL: Thank you.
9 Senator?

10 SENATOR KRUEGER: Thank you.

11 Senator Davi d Carl ucci .

12 SENATOR CARLUCCI: Thank you, Senator.
13 Just a few questi ons. You know, one

14 of the big issues that we see here is that
15 funds are decreasing by \$37.4 million, and it
16 is being attributed to caseload reduction.

17 Could you talk a little bit about which cases
18 you're seeing the most reduction in, and do
19 you think that it will be a continuing trend
20 throughout the year and years following?

21 EXEC. DEP. COMMI SSIONER DEVINE: So
22 caseload reductions, at thi s point and stage
23 what I can tell you is that the Executive
24 uses an economic model to indicate what the

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1 projected caseloads will be for the next

2 year. That model would include things like

3 the current employment level as well as
4 minimum wage and other state and local
5 factors in that model.

6 We have been successful in the past
7 with that model, and it has served the state
8 well, in that there have been enough
9 resources through the various programs to
10 make sure that public assistance is continued
11 as needed.

12 SENATOR CARLUCCI: And the funding
13 that's been eliminated, the \$28.2 million in
14 TANF funds for those specific programs, why
15 are those being cut?

16 EXEC. DEP. COMMISSIONER DEVINE: The
17 TANF program?

18 SENATOR CARLUCCI: Yes.

19 EXEC. DEP. COMMISSIONER DEVINE: So
20 similarly, under the TANF program, I think
21 the projections of caseloads have gone down,
22 as well as those -- that appropriation had
23 some prior-year expenditures built into it
24 that were no longer needed for this year. So

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1 I think it's both caseload as well as an
2 adjustment naturally in that appropriation.

3 SENATOR CARLUCCI: So are you saying
4 that you're confident that caseload will
5 continue to decrease for those organizations?

6 EXEC. DEP. COMMISSIONER DEVINE: Well,
7 the model has worked, and it's provided
8 several of the projections across the various

9 financial plan programs. And it's built in
10 that way, and I think the model has been used
11 successfully over the last couple of years,
12 and we're hopeful that it will stand.

13 We'll be tracking and monitoring
14 throughout the year. We track our caseloads
15 on a monthly basis. And so we will know when
16 there are spikes. And so we'll be, you know,
17 working with the executive if, you know, that
18 projection changes.

19 SENATOR CARLUCCI: And back on the
20 Summer Youth Employment program and the
21 \$2.5 million increase, do you anticipate any
22 increase in capacity in the amount of young
23 people we'll be able to employ, or are we
24 just holding steady with the increase in the

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1 minimum wage?

2 EXEC. DEP. COMMISSIONER DEVINE:
3 Unfortunately, just holding steady.

4 SENATOR CARLUCCI: And then just a
5 question on the state's emergency food system
6 and the \$4.5 million. How will that be
7 distributed?

8 EXEC. DEP. COMMISSIONER DEVINE: So
9 that money is being administered by the
10 Department of Health, and it's administered
11 through local providers that they have
12 contracts with. And so I'm sure that they
13 speak a little bit more clearly to that
14 network and how that network is used.

15 But we're pleased because, of course,
16 you know, a lot of those families are also
17 families that we serve and individuals that
18 we serve as well.

19 SENATOR CARLUCCI: Well, with the
20 emergency food system, will there be a
21 process where food pantries are reaching out,
22 applying for that funding, or --

23 EXEC. DEP. COMMISSIONER DEVINE: I do
24 not know how it will be administered. I

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1 don't know whether it would be a
2 comprehensive process through RFP or what.

3 However, we can look up, you know, how
4 they're going to distribute that funding and
5 get back to you.

6 SENATOR CARLUCCI: Great. Appreciate
7 it.

8 And then just on homeless issues in
9 terms of homeless prevention and homeless
10 services, what are plans for providing
11 services outside of New York City?

12 DEPUTY COMMISSIONER GLASSMAN:
13 Senator, all of our current homeless
14 programs, the ones that are administered
15 through not-for-profits, serve the entire
16 state. For example, the homeless housing and
17 assistance program, we do a lot of
18 construction upstate. And the Solutions to
19 End Homelessness program, the New York State
20 Supportive Housing Program, our HOPWA

21 program, Housing Opportunities for Persons
22 With AIDS, all of those programs serve
23 upstate districts as well as New York City.

24 SENATOR CARLUCCI: And then a final

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1 question on the not-for-profit infrastructure
2 capital investment program. Is that going to
3 be like a competitive grant process? Could
4 you tell us a little bit about how nonprofits
5 will be able to secure some funding in that
6 \$50 million pool?

7 EXEC. DEP. COMMISSIONER DEVINE: I
8 believe you're referring to the program that
9 was identified as a part of the anti-poverty
10 agenda. And at this point in the stage, I do
11 not know how it will be administered.

12 However, we can let you know anything
13 that we find out with regards to this.

14 SENATOR CARLUCCI: Okay.

15 EXEC. DEP. COMMISSIONER DEVINE: I
16 believe there will be grants that will be
17 awarded.

18 SENATOR CARLUCCI: Okay, I appreciate
19 it. Yeah, we just want to make sure how
20 these actual not-for-profits will go about
21 securing that funding so we don't leave that
22 money on the table when it can be going to
23 these very important services.

24 EXEC. DEP. COMMISSIONER DEVINE:

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1 Right. I believe it's a competitive process

2 and grants will be awarded at the end of that
3 competitive process.

4 SENATOR CARLUCCI: Okay, thank you.

5 Thank you, Senator.

6 CHAIRMAN FARRELL: Mr. Goodell.

7 ASSEMBLYMAN GOODELL: Thank you.

8 Thank you very much. I noticed that a
9 lot of your testimony focused on what OTDA is
10 doing to help people who are in poverty,
11 providing them the services, homeless
12 services, food, things of that nature.

13 What I wanted to focus on just a
14 little bit is portions of your budget that
15 help people avoid poverty in the beginning or
16 get out of poverty. Let me start first with
17 education. As you know, those without a high
18 school diploma are three times more likely to
19 be in poverty and run a 50 percent higher
20 unemployment rate.

21 Do you have any initiatives, working
22 with our local school districts, to reduce
23 the dropout rate? Or is that somebody else's
24 responsibility?

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1 EXEC. DEP. COMMISSIONER DEVINE: So I
2 know that we have a lot of employment
3 services that are funded through our TANF
4 award as well as other funding streams.
5 However, I'm not --

6 ASSEMBLYMAN GOODELL: I'm sorry, could
7 you speak closer to the microphone?

8 EXEC. DEP. COMMISSIONER DEVINE:
9 Absolutely. So I was just commenting that
10 our TANF program of course has employment
11 services and other job-related readiness and
12 skills opportunities.

13 ASSEMBLYMAN GOODELL: I was focusing
14 specifically on dropouts and high school
15 education. Do you have any programs designed
16 to encourage people to stay in school or to
17 reduce the dropout rate?

18 EXEC. DEP. COMMISSIONER DEVINE: I
19 don't believe so.

20 DEPUTY COMMISSIONER MORRIS: That
21 would be more under the jurisdiction of the
22 State Education Department.

23 ASSEMBLYMAN GOODELL: I see. And are
24 there any discussions to consider requiring

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1 active participation in a GED program -- I'm
2 sorry if I'm not using the current words, but
3 GED program or high school as a condition of
4 being eligible for welfare benefits?

5 DEPUTY COMMISSIONER MORRIS: No, not
6 at this time. No.

7 ASSEMBLYMAN GOODELL: So in other
8 words, an individual can drop out of high
9 school as soon as they meet the maximum age
10 and immediately start collecting benefits,
11 there's no obligation to continue with high
12 school or with GED, is that correct? At
13 least under this budget?

14 DEPUTY COMMISSIONER MORRIS: That is
15 not a requirement. I mean, we have a
16 constitutional requirement to care for the
17 needy, and that is what OTDA's core mission
18 is. And we don't require that somebody stay
19 in school.

20 Clearly, staying in school and
21 obtaining an education is the best way for
22 that young adult to become self-sufficient.
23 So that is something that we encourage. The
24 State Education Department really has

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1 jurisdiction over, you know, dropout programs
2 specifically. I mean, we do have limits
3 on -- well, I mean, we have requirements for
4 individuals to engage in work activities if
5 they're not in school. So it's not as if, if
6 somebody does drop out of school, that
7 they're collecting public assistance benefits
8 without any sort of employment requirements.

9 ASSEMBLYMAN GOODELL: Okay, so let's
10 look at the work. And by the way, I
11 assume -- would OTDA support legislation that
12 would increase the minimum dropout age? I
13 mean, increase the requirement that you
14 participate in high school, say to at least
15 age 18? Is that something that you would
16 support?

17 DEPUTY COMMISSIONER MORRIS: We would
18 need to take that back and take a look at it
19 and understand the details of what you're

20 discussing.

21 ASSEMBLYMAN GOODELL: Looking at the
22 work experience program and your current
23 data, it looks like you're running about a
24 32 percent work participation ratio. The

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1 federal government, as I understand it, had a
2 target of 50 percent. What are you doing to
3 try to increase the work participation ratios
4 throughout New York State in this budget?

5 DEPUTY COMMISSIONER MORRIS: Well, we
6 have a number of programs that we oversee and
7 implement through our social service
8 districts as well as directly through our
9 contracted programs, using available funding
10 not only through TANF and state general funds
11 but also through the SNAP education and
12 training, E&T funding stream. And those
13 programs are all designed at helping
14 individuals on public assistance and on SNAP
15 benefits find employment and maintain
16 employment.

17 We are maintaining -- we are meeting
18 the work participation rate that you're
19 referring to. We're actually exceeding it
20 because the 50 percent rate is actually --
21 the required achieved rate is lower because
22 of certain credits that we're able to apply,
23 the caseload reduction credit and the excess
24 maintenance of effort credit. So we are at

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1 no risk of fiscal penalty in that regard.

2 But this is a difficult population. I
3 mean, we have had significant caseload
4 declines since welfare reform. And now we're
5 really with -- the population we have is a
6 population that struggles to find and
7 maintain employment for a variety of issues,
8 disability --

9 ASSEMBLYMAN GOODELL: But there's no
10 special initiative or no increase in funding
11 in this budget? I just wanted to focus on
12 the budget. There's no initiatives here in
13 this budget?

14 DEPUTY COMMISSIONER MORRIS: There's
15 maintenance of funding but not additional
16 funding in that --

17 ASSEMBLYMAN GOODELL: I'm looking at
18 your monthly average number of recipients
19 that are participating in training and
20 education. And to be honest, I was really
21 kind of surprised to see that the statewide
22 numbers are very low. I mean, we only have
23 about 2,000 people participating under OTDA
24 programs in education and training.

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1 Is this an area that you think we
2 should increase funding for in the budget, or
3 emphasis on? I mean, just as an example,
4 there's only 634 people, on average, in
5 vocational training that's sponsored by OTDA,

6 according to your last annual report. It
7 seems to be an extraordinarily small number.

8 DEPUTY COMMISSIONER MORRIS: I think
9 that I would have to look at the report that
10 you're looking at to make sure we're
11 understanding the numbers that you're
12 referencing.

13 ASSEMBLYMAN GOODELL: It's Table 21 in
14 your annual report.

15 DEPUTY COMMISSIONER MORRIS: Okay, I
16 don't have a copy of that with me. But we
17 will take that back and look at it.

18 I'm just not sure whether that is
19 including all of the local district programs
20 that they are running, because that seems
21 like a very low number. And I'm thinking
22 that perhaps we need to get you the full
23 picture that includes all of the local
24 district-operated programs as well.

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1 ASSEMBLYMAN GOODELL: As you can tell,
2 my focus is to try to get people out of
3 poverty. And so I was concerned that this
4 budget appears to eliminate the Welfare to
5 Careers program funding, the Advanced
6 Technology Training, the ATTAIN program,
7 Career Pathways program, and the wage subsidy
8 program. And I found it particularly ironic
9 that the previous presenters pointed out that
10 if you go to prison, we help you with a
11 transition program into employment, but it

12 appears that OTDA is eliminating funding for
13 all similar programs.

14 Could you -- I mean, certainly we
15 don't want to have a message that you have to
16 go to prison in order to get employment
17 training. So can you address that? Why are
18 we eliminating all those employment pathway
19 programs?

20 DEPUTY COMMISSIONER MORRIS: Well, we
21 provide our local social service districts,
22 which are our front line in working with
23 low-income individuals who are looking for
24 employment, we provide them with the Flexible

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1 Fund for Family Services -- that's almost a
2 billion dollars -- and they have the ability
3 to use a portion of that funding for the
4 services that you're referencing.

5 So while the individual discrete
6 programs that you're referencing aren't
7 proposed to be funded, there is funding
8 available for employment services in the
9 budget.

10 ASSEMBLYMAN GOODELL: But your
11 Flexible Fund for Family Service funding
12 remains flat in this budget, right? So
13 you're eliminating all those others, but
14 you're not increasing the Flexible Funding
15 portion.

16 CHAIRMAN FARRELL: Mr. Goodell.

17 ASSEMBLYMAN GOODELL: Am I out of time

18 already?

19 (Laughter.)

20 CHAIRMAN FARRELL: Yes. Yes, you can
21 talk slowly, but the clock runs very fast.

22 (Laughter.)

23 ASSEMBLYMAN GOODELL: Thank you,
24 Mr. Chairman, for keeping track of that time.

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1 CHAIRMAN FARRELL: There's a clock
2 down there, isn't there?

3 CHAIRMAN DeFRANCISCO: Isn't there a
4 clock right in front of you?

5 ASSEMBLYMAN GOODELL: Every time I
6 look at it, it says zero. I assume it's not
7 working.

8 (Laughter; cross-talk.)

9 CHAIRMAN FARRELL: Senator?

10 CHAIRMAN DeFRANCISCO: We'll have an
11 ophthalmologist examine you later for
12 inability to read the clock.

13 Let's see, who's next? Senator
14 Montgomery.

15 SENATOR MONTGOMERY: Okay, thank you.

16 Good afternoon, Commissioner.

17 {Inaudible.} I just want to spend my time,
18 my few minutes, talking about the
19 HHAP program. I think you mentioned that
20 you're going to be collaborating with other
21 of your colleagues. And my question is that,
22 first of all, if there are projects that are
23 in the pipeline, could we get some sense of

24 where they are and which ones?

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1 And the organizations in my district
 2 that have been very involved with housing for
 3 special needs in particular are the
 4 not-for-profit housing groups that seem to be
 5 really the experts in this area. Are you --
 6 will this particular program be targeting
 7 those groups to actually do this kind of
 8 housing? Or how will that work, in your
 9 mind?

10 EXEC. DEP. COMMISSIONER DEVINE: So
 11 the HHAP program, as you know, is funded at
 12 \$63.5 million, and that's a bonded capital
 13 program. And funding is distributed based on
 14 a competitive process. So they are certainly
 15 open to apply when we receive the funding.

16 At this point in the stage, our
 17 current funding round is closed, I believe.
 18 We have 13 new projects that we'll be
 19 funding, representative of \$42 million. And
 20 we're also going to be awarding an additional
 21 project this month at our board meeting.

22 So certainly as the 2015 funding comes
 23 online, I would encourage any organization
 24 who would like to develop permanent emergency

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1 or transitional housing to apply for funding.

2 SENATOR MONTGOMERY: And so after
 3 having this experience from prior years, do
 4 we have some way of determining the

5 difference in the cost based on who actually
6 does the housing? Do we have any measure of
7 how much more efficient it is when
8 not-for-profit organizations do the housing,
9 as opposed to for-profit developers?

10 EXEC. DEP. COMMISSIONER DEVINE: I'm
11 going to let Linda take a crack at that. But
12 I will say that the cost of construction in
13 real estate is just increasing exponentially
14 as we go. As well as, you know, keeping the
15 interest rates low will help in some of
16 controlling that cost.

17 But let me let Linda speak to that
18 question.

19 DEPUTY COMMISSIONER GLASSMAN: In
20 terms of HHAP, only not-for-profit agencies
21 and local social service districts are
22 eligible to apply. So there are not
23 for-profit developers participating in the
24 program.

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1 But we do watch our costs very
2 carefully. The little bit of difficulty we
3 have is the program is so flexible, it builds
4 everything from emergency shelters for
5 victims of domestic violence, to housing for
6 people with AIDS, to housing for homeless
7 families. So sometimes the very structure --
8 literally, the cost of a structure differs
9 because of the kind of project it is.

10 SENATOR MONTGOMERY: Okay, thank you

11 for that clarification.

12 So are there proportions considered
13 for different populations, or it's just a
14 matter of whoever applies and who's eligible
15 is considered based on their application? Or
16 do you set aside some, say, for instance, for
17 homeless youth and that sort of thing,
18 special different categories?

19 DEPUTY COMMISSIONER GLASSMAN: There
20 is a \$5 million set-aside for housing for
21 people with AIDS. That's usually reached.
22 But if it isn't, then it goes back into the
23 pot if there are not applications for that
24 funding.

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1 But other than that, we accept
2 applications for all special-needs
3 populations who are homeless or at risk of
4 losing their housing.

5 SENATOR MONTGOMERY: Okay. All right,
6 thank you.

7 Could I -- just on another issue, is
8 it possible for you to -- I see that you have
9 given us a budget that eliminates the ATTAIN
10 program. Is the ATTAIN program, is that
11 because it appears somewhere else in the
12 budget that I'm not aware of, or do you
13 intend to eliminate that program altogether?
14 because several programs that you have
15 already funded are an important part of what
16 is a resource for people, particularly living

17 in public housing, to be able to utilize this
18 as a means of getting online and being able
19 to apply for work and, you know, to gain some
20 skills in using the Internet, that sort of
21 thing.

22 So now you've eliminated it
23 altogether, so I'm just wondering where is
24 that in the budget, and what are we supposed

♀ 220

1 to do about that?

2 EXEC. DEP. COMMISSIONER DEVINE: I do
3 not believe it's anywhere else in the budget.
4 However, I think we may have other programs
5 that may fund that.

6 Unfortunately, I think the program
7 that you're talking about may have been a
8 funding mechanism that was, again, negotiated
9 in the final enacted budget in prior years.

10 SENATOR MONTGOMERY: I see. So that
11 means we have to fight for it ourselves. I
12 hear you.

13 (Laughter.)

14 CHAIRMAN DeFRANCISCO: So could you
15 give me some sense -- this is my last
16 question -- of what exactly is that
17 Nurse-Family Partnership? Give me a report
18 on that. And I don't mean right now, but I
19 mean, you know, when you have a chance. I'm
20 very interested in who gets served by that
21 and how much that costs.

22 DEPUTY COMMISSIONER MORRIS: We can

23 certainly provide additional detailed
24 information on that. That is an

♀ 221

1 appropriation that's in OTDA's budget, it's a
2 \$3 million appropriation that had been TANF
3 in past years; it's General Fund this year.
4 And we suballocate those funds to the
5 Department of Health, and we can provide more
6 specifics to you on that.

7 SENATOR MONTGOMERY: Okay, thank you.

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

10 CHAIRMAN FARRELL: Thank you.

11 Assemblywoman Titus.

12 ASSEMBLYWOMAN TITUS: Thank you.

13 And let me say a great welcome to
14 Ms. Devine for your first budget hearing. We
15 look forward to working with you.

16 I have to bring us back to
17 homelessness. As you know, the recent surge
18 in homelessness has impacted communities
19 throughout this state, and the sheer numbers
20 are depressing and alarming. You know, we
21 have over -- nearly 60,000 individuals every
22 night that are homeless, which includes over
23 25,000 children. And we are looking at
24 approximately at a 20 percent growth every

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1 year.

2 And we've had several hearings, the

3 New York State Assembly, with regards to
4 homelessness, and most of the advocates come
5 forth and give testimony, and it seems like
6 we are basically just trying to repair the
7 roof without really securing the structure or
8 foundation that that roof sits on. And I
9 understand that trying to prevent
10 homelessness is a complex solution, and I
11 think that's why we need to sort of start
12 thinking differently, and that leads me to a
13 lot of my questions.

14 The housing allowance for families has
15 not really been reevaluated for several
16 years, but in this budget there's a lot of
17 investments in homelessness. I wanted to
18 know how many individuals do you now expect
19 to serve with this additional funding that is
20 being set forth in the Executive Budget, and
21 are there other agencies that OTDA is
22 coordinating with, as my colleague
23 Assemblyman Goodell has sort of brought to
24 our attention, so that we can achieve this

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1 goal of moving people out of poverty?

2 DEPUTY COMMISSIONER GLASSMAN: Of
3 course we work very closely with all of our
4 local social service districts in order to
5 address homelessness in each one of those
6 districts. You're right that it's been a
7 rising problem. There's only, that we know
8 of, two ways to prevent homelessness. It's

9 by sort of closing the front door to the
10 shelter system so that we are providing
11 eviction prevention, a variety of those kinds
12 of services, and then after -- if people do
13 have to go to shelter, getting them -- moving
14 them out as quickly as possible into
15 permanent housing.

16 And the money that's been added to
17 this year's budget does, especially in
18 collaboration with New York City, provide a
19 lot of funding for rental assistance to speed
20 that exit out of shelter. And also the
21 increase in the Homeless Housing Assistance
22 Program last year, as it's continued this
23 year and bumped up a bit, will also help in
24 providing housing for people that are

♀ 224

1 currently in shelter who need to be
2 {inaudible}.

3 ASSEMBLYWOMAN TITUS: Okay. And the
4 proposal New York/New York IV, that proposal,
5 can you elaborate a little bit on how that
6 will be implemented?

7 EXEC. DEP. COMMISSIONER DEVINE: So
8 New York/New York IV has several different
9 components. And of course you know that
10 that's a program that's really geared towards
11 supportive housing per se.

12 I know that HCR is going to be doing a
13 lot of work with New York/New York IV over
14 the next couple of years and working with a

15 lot of the agencies in order to figure out
16 the best way to move forward with supportive
17 housing. And so we will get together and
18 discuss plans for how to move forward now
19 that we know that there's additional funding
20 in the budget. And we would certainly
21 welcome your ideas about how to move forward
22 as we develop our plans and thoughts about
23 that.

24 ASSEMBLYWOMAN TITUS: Okay. And in

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1 closing, I just also want to bring to your
2 attention, again, Career Pathways, the ATTAIN
3 program, the Fatherhood Initiative are a lot
4 of TANF initiatives that are supported by
5 this legislative body, and we would again
6 hope that they can be included in the final
7 budget as we move forward.

8 CHAIRMAN DeFRANCISCO: Senator
9 Hoylman.

10 SENATOR HOYLMAN: Thank you.

11 And thank you, nice to see you,
12 Commissioner. Congratulations on your
13 appointment.

14 I wanted to ask a question about the
15 30 percent rent cap, but first I wanted to
16 thank the administration and the Governor for
17 his leadership in adopting that 30 percent
18 rent cap for low-income New Yorkers who are
19 living with symptomatic HIV or AIDS last
20 year, working with the city and doing that.

21 It's going to make a big difference to get
22 folks in that condition in housing so they're
23 in a stable environment so they take their
24 medication. It's all part of that virtuous

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1 circle that the Governor's Task Force to End
2 AIDS is talking about. So it's very needed
3 and very welcome.

4 Now, that appropriation in this budget
5 was given -- well, last year it was given its
6 own \$9 million budget appropriation. That
7 was last year. And this year it seems
8 that the budget states that the 30 percent
9 rent cap is funded at \$27 million through
10 fiscal year 2016-2017, with the funding being
11 earmarked from the mortgage settlement
12 surplus. Is that the case?

13 EXEC. DEP. COMMISSIONER DEVINE: Yes,
14 that's -- yes, that's correct.

15 SENATOR HOYLMAN: Okay. Now, if
16 that's the case, does that mean the rent cap
17 no longer has its own line in the budget?
18 What are we going to do in subsequent years?
19 Because as I understand it, the settlement
20 funds are a one-time only, non-recurring
21 expense.

22 EXEC. DEP. COMMISSIONER DEVINE: Yes,
23 and this is a population that the state and
24 OTDA is committed to serving. So when these

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1 funds do dry up and go away, I'm sure we'll

2 be discussing how to continue the valuable
3 resource that it is.

4 SENATOR HOYLMAN: Okay. Thank you.
5 And I did want to point out that there's a
6 movement afoot by advocates and elected
7 officials to expand the HASA, the 30 percent
8 rent cap, to all of New York, as well as to
9 modify the definition of what it means to
10 have HIV/AIDS. Currently the diagnosis is
11 based on a T-cell count of 200, which is a
12 technical AIDS diagnosis. But in reality, a
13 lot of people who are low-income who need
14 this kind of housing who have HIV/AIDS don't
15 have a T-cell count that's higher than that.

16 The idea, as the Governor's Task Force
17 to End AIDS is exploring, is to get them into
18 housing so they keep their T-cell count high,
19 not get them into housing when their T-cell
20 count has already dropped to 200. So we're
21 going to be talking with you and your agency
22 about that.

23 I have one more question too, and this
24 is about the OTDA and eviction prevention

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1 services that you provide. Last year a
2 number of providers in my district lost
3 funding -- this is the West Side of Manhattan
4 and part of the East Side of Manhattan; I
5 know you're familiar with this -- which means
6 they're not going to be able to provide
7 legal services to people who are fighting

8 evicti on.

9 I understand it was because they
10 didn't meet certain guidelines in the RFP
11 process, and we're working with them on how
12 they can better make those applications in
13 future years.

14 But I do see an increase in evicti on
15 legal services which I think is wel come; I
16 think it's a \$400,000 increase. Do you know
17 how that's going to be allocated?

18 EXEC. DEP. COMMI SSIONER DEVINE: We do
19 not yet know how that's going to be
20 allocated. But I am defi nitely aware of the
21 situati on with regards to the applicati ons to
22 the STEHP program. So we're more than
23 willing to talk to you about, you know, those
24 applicati ons and, you know, why they were not

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1 successful, if you feel that that --

2 SENATOR HOYLMAN: Okay. I may be
3 following up about the allocati on and make
4 certain that our funders get the money that's
5 going to keep people in their homes. Because
6 I know that's what your agency is all about.

7 EXEC. DEP. COMMI SSIONER DEVINE:
8 Absol utel y.

9 SENATOR HOYLMAN: Thank you.

10 CHAI RMAN FARRELL: Thank you.

11 CHAI RMAN DeFRANCI SCO: We' re joi ned by
12 Senator Seri no.

13 CHAI RMAN FARRELL: And we' ve been

14 joined by Assemblyman Pretlow.

15 And to ask questions, Assemblywoman
16 Solages.

17 ASSEMBLYWOMAN SOLAGES: We welcome
18 you. Thank you so much for testifying today.

19 I have great concerns with the
20 Executive Budget zeroing out a lot of the
21 TANF initiatives. I think they're great
22 initiatives that contribute a lot to
23 communities. I'm most concerned with one
24 program that I've actually had an opportunity

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1 to interface with during the summer. I was
2 part of a fellowship which talked about early
3 childhood initiatives and how to take many
4 children out of poverty, and one initiative
5 that they spoke about greatly was
6 Nurse-Family Partnerships. They said that
7 for every dollar invested in NFPs, that a
8 return of \$9.56 would come out. To me,
9 that's a great state investment.

10 And so when I look at the Executive
11 Budget and I see that program has zeroed out,
12 I have great concerns, because it's a great
13 investment. So I wanted to know, you said
14 before that some of the programs have been
15 shifted to other state agencies. Is this
16 true for Nurse-Family Partnerships?

17 DEPUTY COMMISSIONER MORRIS: So for
18 Nurse-Family Partnership, in past years it's
19 been a \$3 million TANF appropriation in

20 OTDA's budget. This year it's a \$3 million
21 General Fund appropriation in OTDA's budget.
22 So it's still funded at the same funding
23 level, it's just funded with General Fund
24 instead of TANF funding. And the funds, as I

♀ 231

1 said before, are suballocated to the
2 Department of Health, and the Department of
3 Health runs the program.

4 ASSEMBLYWOMAN SOLAGES: And why did
5 the shift happen?

6 DEPUTY COMMISSIONER MORRIS: Well,
7 TANF funds are limited in terms of the
8 population that can be served, and we have to
9 monitor and make sure that we're meeting the
10 federal requirements that they're 100 percent
11 federal funds and they can't be used for
12 single adults, for example.

13 So the state general funds provide
14 more flexibility and less monitoring and
15 reporting requirements, so it should be
16 easier for the Department of Health to use
17 that funding stream.

18 ASSEMBLYWOMAN SOLAGES: Do you have
19 any input about the program? Since you were
20 a part of running the program, is there any
21 input that you can give to the Department of
22 Health to make this a better program?

23 DEPUTY COMMISSIONER MORRIS:
24 Absolutely. We negotiate a memorandum of

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1 understanding with the Health Department for
2 the operation of the program. Since the
3 money is appropriated in OTDA's budget, we
4 have an MOU to transfer the money, and that
5 governs how the program structure is going to
6 work. So if there are ideas or specific ways
7 in which you are looking for that program to
8 be administered and you'd like to share that
9 with both us and the Department of Health,
10 we'd be happy to take that under
11 consideration.

12 ASSEMBLYWOMAN SOLAGES: Excellent.

13 And also I know that food insecurity
14 is also a major issue to many communities
15 throughout this great state. There was a
16 line item that was zeroed out for Food Bank
17 Initiative. Can you describe that
18 initiative?

19 DEPUTY COMMISSIONER MORRIS: Is that
20 the \$4.5 million that you're referencing that
21 was in the --

22 ASSEMBLYWOMAN SOLAGES: No, not that.
23 It's a separate initiative. I have it listed
24 here as Food Bank Initiative that was zeroed

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1 out. That's the only name that I have.

2 DEPUTY COMMISSIONER MORRIS: Oh, that,
3 okay. I see what you mean. We had a
4 \$2 million TANF appropriation for food banks
5 that was in OTDA's budget. Similarly, we

6 would negotiate an MOU with the Department of
7 Health to transfer that funding over to the
8 Department of Health.

9 My understanding is that money is now
10 in the Department of Health's budget. It
11 just is easier for the Department of Health
12 to administer it if it was appropriated in
13 their budget, and then it avoids the need for
14 us to have to go through the MOU process,
15 so . . .

16 ASSEMBLYWOMAN SOLAGES: So you're
17 saying that it increases capacity for more
18 members of New York State to participate in
19 those programs?

20 DEPUTY COMMISSIONER MORRIS: I would
21 have to defer to the Department of Health as
22 to exactly how they're using that funding.
23 But the \$2 million is just the same amount of
24 funding year to year. The \$4.5 million that

♀ 234

1 was referenced earlier is an actual increase
2 that will increase the allocations to the
3 food banks and food pantries.

4 ASSEMBLYWOMAN SOLAGES: Thank you so
5 much.

6 CHAIRMAN DeFRANCISCO: Before I call
7 on Senator Krueger to close, I was remiss in
8 not mentioning this important day. It's
9 Denny Farrell's birthday.

10 (Laughter; applause.)

11 CHAIRMAN FARRELL: I'm 38.

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(Laughter.)
CHAIRMAN DeFRANCISCO: Thirty-eight.
He doesn't look 38 because he's been chair of
Ways and Means for 21 years, and listening to
this day in and day out takes a little out of
you.

(Laughter.)
CHAIRMAN DeFRANCISCO: But
congratulations, Denny.

CHAIRMAN FARRELL: Thank you very
much.

We've been joined by Ms. Persaud.
Thank you.

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CHAIRMAN DeFRANCISCO: And Senator
Krueger to close.
SENATOR KRUEGER: Thank you.
Many things covered and not covered.
Just to clarify, you talked in your testimony
about the commitment to anti-hunger work.
And again, \$2 million is coming out of your
budget, but it's going into Department of
Health.
Just for the record, really it means
the state is -- because it's not a new
allocation, it's a move of the allocation.
So just be aware, the emergency food
providers in this state are saying "We're
desperate for assistance." And we're not
really increasing them, I think, more than
\$500,000 in total by shifting money. So I'm

18 not holding you responsible, I just want to
19 point out to whoever might be listening that
20 moving money between two agencies is not
21 actually increasing money.

22 On that note, I want to highlight also
23 my colleague Brad Hoylman's point about the
24 30 percent cap AIDS fund housing money. As I

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1 read the budget, it's \$27 million from the
2 settlement funds for three years -- oh, he
3 left -- over three years. So you're not
4 increasing money, you're simply defining how
5 you're going to pay for it for three years by
6 taking it from the settlement funds. And my
7 understanding is that several other programs
8 you're doing the same thing with.

9 So again, I love to read we're
10 increasing our commitment to programs for
11 low-income people, AIDS services and housing,
12 homeless services and housing. But actually
13 it appears this budget, particularly around
14 housing, is simply moving the funding stream
15 around as opposed to actually increasing the
16 funding. But I'm going to leave that for the
17 Housing hearing tomorrow.

18 But since we've got hunger, I have
19 hunger on my mind, you highlight the
20 importance of SNAP, what we used to call food
21 stamps, except we actually lost a huge amount
22 of federal food stamp dollars this year.
23 Now, partly it was because of the federal

24 government's cuts, but partly it's also

♀ 237

1 because we're not taking advantage of every
2 option we have available to us.

3 And so the data I show is that
4 \$365 million less in SNAP funding in 2014
5 compared to 2013. It's a budget hearing.
6 SNAP is 100 percent federal dollars. We
7 shouldn't be reducing SNAP coming into
8 New York State, we should be doing everything
9 we can to maximize our use of it.

10 So, question -- so I knew I'd get to a
11 question -- is the agency exploring our legal
12 right to raise the categorical eligibility
13 gross-income limit from 130 percent to
14 150 percent of the federal poverty level?
15 That would significantly increase eligibility
16 for poor working families. Do you know if
17 you're looking into that?

18 DEPUTY COMMISSIONER MORRIS: This is a
19 topic that has come to our attention, and it
20 has been something that we've looked at, and
21 we've actually crunched the numbers. And
22 while, yes, it would expand the number of
23 SNAP participants that would be eligible, the
24 individuals that would become newly eligible

♀ 238

1 would be only eligible for a zero-dollar
2 grant.

3 So that is the issue with expanding
4 eligibility, is that we're not actually going

5 to be able to -- while they're technically
6 eligible, just based on the way the SNAP
7 budgeting works, they would not actually
8 receive any sort of fiscal benefit. So we'd
9 be putting them through a lot of application
10 work for no actual benefit.

11 SENATOR KRUEGER: Not today, but in my
12 past life I was a food bank food stamp budget
13 expert, so I would love to do a bunch of runs
14 with you, because I actually don't think that
15 will be the case.

16 DEPUTY COMMISSIONER MORRIS: Okay,
17 we'd be happy to.

18 SENATOR KRUEGER: Good.

19 We already changed the law allowing
20 students to go to college if they're on
21 public assistance and have it count towards
22 their employment requirements. We're not
23 doing that for the food-stamp-only cases for
24 students.

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1 I believe we can. Some other states
2 have. And it would increase the
3 possibilities of our community college
4 students, our working-poor college students
5 who are food stamp-eligible based on their
6 income but can't meet the 20-hour-a-week
7 requirement and still be able to go to
8 school. So I am fairly sure we have the
9 ability to do that without legislation, and
10 I'd love to see your agency explore that.

11 Because I don't think anyone here
12 disagrees with the idea of poor working
13 students being able to actually feed
14 themselves while getting through college,
15 particularly the community college
16 population.

17 You testify, jumping off of food
18 stamps to completing the SSI supplemental
19 program transfer, where we're no longer
20 contracting with federal government, we're
21 running that program ourselves? I believe I
22 was told a few years ago at a budget hearing
23 by previous representatives that the state
24 would save up to \$60 million annually by

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1 running this program themselves.

2 One, is that true? And two, how are
3 we re-budgeting that \$60 million or whatever
4 number it is in savings from having taken the
5 program over directly?

6 EXEC. DEP. COMMISSIONER DEVINE: So
7 you are correct, there is a savings
8 associated with it. And at this point in
9 this stage, what I would say to you is that
10 it's funding that the state doesn't have to
11 spend now to administer those dollars. Those
12 are funds that can stay in the financial plan
13 and be used for other purposes across the
14 state, so ...

15 SENATOR KRUEGER: Well, I wanted --
16 would you agree it's about \$60 million? Is

17 my memory correct?

18 EXEC. DEP. COMMISSIONER DEVINE: My
19 understanding, it's 90. It's a little higher
20 than that.

21 SENATOR KRUEGER: Higher than that.

22 EXEC. DEP. COMMISSIONER DEVINE: I
23 think that's what the SAGE Commission --
24 that's what the SAGE Commission was

♀ 241

1 reporting.

2 SENATOR KRUEGER: So if I were to ask
3 the question why are we cutting the
4 \$56 million of TANF line item for service
5 adds out of our budget, which covers -- one
6 minute, I had the list -- so many different
7 programs, many of which have individually
8 been asked about today, including -- oh,
9 sorry, I lost the list. But you know what
10 I'm talking about. It adds up to
11 \$56 million. It's settlement house money,
12 it's fabulous individual small program money.
13 That adds up to \$56 million.

14 If someone were to say to me, But we
15 don't have those TANF dollars available, I
16 would go okay. But if I were to say, Oh, but
17 we have the money we were paying the federal
18 government to run our SSI supplemental
19 program now -- and this more a rhetorical
20 question, because I appreciate you represent
21 an agency and I'm really talking to the
22 Governor and DOB today -- gee, that's a

23 really great use of those monies.
24 We're not wasting them sending them to

♀ 242

1 the federal government, we figured it out how
2 to do it cheaper ourselves, bravo, New York
3 State. But gee, isn't that perfect money to
4 continue to be used in the OTDA budget to
5 meet needs that many of the people sitting
6 here are hoping to convince the Legislature
7 to save their programs from being cut?

8 And the question we always get is,
9 Well, how are you going to pay for that, John
10 DeFrancisco? And I'm saying --

11 CHAIRMAN DeFRANCISCO: Those other
12 funds you saved.

13 SENATOR KRUEGER: John, thank you very
14 much.

15 (Laughter.)

16 SENATOR KRUEGER: And my time is up,
17 thank you.

18 EXEC. DEP. COMMISSIONER DEVINE: Thank
19 you.

20 CHAIRMAN FARRELL: Thank you.

21 CHAIRMAN DeFRANCISCO: Thank you. I
22 just wonder if there's any openings in your
23 department, because you've got an expert here
24 that can help you out a lot.

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1 (Laughter.)

2 CHAIRMAN DeFRANCISCO: Thank you very

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much. Appreciate it. You're all set.

The next speaker is Mario Musolino,
acting commissioner, New York State
Department of Labor.

(Discussion off the record.)

CHAIRMAN DeFRANCISCO: Whenever you're
comfortable and ready to roll. Okay, you're
on.

ACTING COMMISSIONER MUSOLINO: Thank
you. And you have my remarks. I'll be doing
an abbreviated version of them, in the
interests of time, but they have more detail.

CHAIRMAN DeFRANCISCO: Could you just
move your mic just closer?

ACTING COMMISSIONER MUSOLINO: Is that
better?

CHAIRMAN DeFRANCISCO: That's much
better.

ACTING COMMISSIONER MUSOLINO: Okay.

So Senator DeFrancisco and Assemblyman
Farrell and members of the Legislature, thank
you. And on behalf of the Department of

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1 Labor, I'm pleased to be here today.
2 Under Governor Cuomo, the New York
3 State Department of Labor has been and is a
4 leader in the nation compared with other
5 states. We help more people find work. We
6 recover more lost wages for workers. We
7 uncover more fraud. And we receive more
8 funds from the federal government because of

9 this.
10 We're rethinking our processes to make
11 them more efficient and work smarter for
12 workers and businesses. And with respect to
13 substance, simply put, New York State has
14 more jobs now than at any time in its
15 history. Since the Governor took office, the
16 state's economy has added more than 535,000
17 private-sector jobs, bringing the total to
18 above 7.6 million. December alone saw the
19 biggest monthly gain in two years, with
20 private-sector job growth outpacing the
21 nation's two to one. In the past four years,
22 the increase in private-sector jobs has
23 outpaced both population growth and growth of
24 the overall workforce.

♀ 245

1 The unemployment rate is down by more
2 than 2 percentage points in each of the
3 10 regions of the state, and New York City's
4 unemployment rate is at its lowest level
5 since October of 2008.

6 The Department of Labor supports the
7 Governor's Executive Budget. It provides the
8 department with the resources we need to
9 continue to excel at carrying out our mission
10 and to support the Governor's goal of more
11 effective and cost-efficient operations.

12 The majority of our state funding
13 supports our worker protection programs and
14 is mainly supported through our Special

15 Revenue Other funds. Our other programs are
16 mostly federally funded. In fact, nearly
17 90 percent of the Department of Labor's staff
18 is supported by federal grant funding.
19 Although there has been a decrease in some
20 federal funding, the department has
21 maintained a high level of performance and
22 delivery for New Yorkers, both within the
23 workforce and the employer community.

24 I'd like to briefly highlight some of

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1 the areas and programs that the Department of
2 Labor manages. First is the Unemployment
3 Insurance system. The system is entirely
4 funded by employers to provide benefits to
5 eligible unemployed individuals.

6 Due to significant reforms advanced by
7 Governor Cuomo and passed by the Legislature
8 in 2013 to modernize the system, the
9 department has achieved significant savings
10 for businesses and advanced groundbreaking
11 increases in benefits for workers which is
12 indexed into the future.

13 As you may recall, two years ago
14 New York State employers owed the federal
15 government more than \$3.5 billion in loans
16 used to pay benefits for unemployed workers.
17 Further, the system was structurally flawed
18 with suppressed benefits for workers. On
19 January 1st of this year, New York's
20 employers owed \$1.5 billion, not \$3.5 billion

21 to the federal government. This is a
22 significant reduction in liabilities that no
23 longer exist for employers. And as we
24 projected, we are on track to achieving our

♀ 247

1 estimated \$400 million in overall cost
2 savings for businesses.

3 Further, we have implemented
4 significant structural changes to the system
5 and increased the benefits for workers for
6 the first time in years. Unemployed workers
7 now receive a maximum benefit of \$420 per
8 week, and there will be increases in the
9 future. Last year, the department paid
10 \$2.6 billion in Unemployment Insurance to
11 694,000 claimants. Due to reform and the
12 improved economy, the state's Unemployment
13 Insurance Trust Fund is significantly
14 healthier.

15 An essential component of reducing
16 costs for businesses and securing appropriate
17 benefits for workers is maintaining the
18 integrity of the system. To that end,
19 New York State is a national leader in
20 preventing, detecting and recovering improper
21 Unemployment Insurance payments in order to
22 ensure that employers do not pay for those
23 who seek to cheat the system.

24 The department had an outstanding year

♀ 248

1 in 2014, finding more than 36,000

2 overpayments and identifying \$83 million in
3 fraud. The department also recovered nearly
4 \$88 million in improperly paid benefits in
5 2014.

6 Worker protection. The Department of
7 Labor also protects workers by enforcing
8 minimum wage laws. The current minimum wage
9 is \$8.75 per hour, going up to \$9 at the end
10 of this year. The Governor has proposed
11 raising the statewide minimum wage to \$10.50
12 by the end of 2016, which we support and
13 encourage the Legislature to do the same.
14 Additionally, because New York City has one
15 of the highest costs of living in the world,
16 we also support the Governor's proposal to
17 raise the city's minimum wage to \$11.50 an
18 hour.

19 To ensure that the tipped wage is
20 aligned with the increased minimum wage, the
21 2013 budget directed the State Labor
22 Commissioner to convene a Wage Board. The
23 board was charged with developing
24 recommendations for what, if any,

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1 modifications should be made to the required
2 cash wage rates and allowable credits for
3 tips. The Wage Board completed its work last
4 week, and I anticipate receiving their final
5 recommendations very soon.

6 Our work to enforce the minimum wage
7 as well as other wage and hour laws have made

8 the Department of Labor a national leader in
9 returning money to workers who were not paid
10 the proper minimum wage, overtime pay, or
11 fringe benefits. In 2014, the Department of
12 Labor disbursed \$30.2 million to nearly
13 27,000 workers. That's a 35 percent increase
14 over the 2013 totals and the highest year in
15 our history. Cases are also being processed
16 more expeditiously, which means workers
17 receive their money faster.

18 I'm proud to announce that the
19 department has had a marked downturn in the
20 number of cases under investigation. And as
21 we promised last year, approximately
22 85 percent of all investigations are now
23 completed within six months. We are
24 dramatically reducing how long cases take to

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1 process, while still ensuring higher
2 standards than most states and even the
3 federal government.

4 In addition to protecting workers'
5 wages, we help reduce the misclassification
6 of workers through the state's interagency
7 Joint Enforcement Task Force. A report last
8 year by the highly regarded media groups
9 McClatchy and ProPublica reviewed payroll
10 records in states around the nation. While
11 some states showed misclassification rates
12 approaching nearly 40 percent, reporters in
13 New York found none.

14 Now, we know that there are still
15 misclassification issues, and we know that it
16 remains a problem nationally and in the
17 state, but the department's efforts are
18 making a noticeable difference here in
19 New York.

20 New York also continues its trend of
21 leading the nation in the area of workforce
22 development. Jobs Express, a website that
23 lists jobs by region for the people in the
24 State of New York, for the first time topped

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1 100,000 available positions across the state,
2 and we are succeeding at connecting workers
3 to those positions.

4 In New York State, during the most
5 recent year for which data is available, more
6 than 260,000 people who received services in
7 one of the department's 96 Career Centers
8 found a job. Nationwide during that same
9 period, approximately 1 million people found
10 a job under the same program, through using
11 the services of a state career center. It's
12 important to note that New York State
13 receives only 5.8 percent of all national
14 funding for this program while providing a
15 quarter of all the successful outcomes.

16 In 2014, the department targeted two
17 areas of the state with exceptional workforce
18 development needs. The first was Buffalo,
19 where the Advance Buffalo program is matching

20 top businesses in Western New York to job
21 seekers who are interested in a career in
22 advanced manufacturing.

23 The second area was the Bronx, where
24 we launched a strategic effort, the

♀ 252

1 Unemployment Strikeforce, in 2014. Beginning
2 in May, the Strikeforce reached out to
3 thousands of unemployed people in the Bronx,
4 opened offices in every community board, and
5 met with elected officials, businesses and
6 educators to determine how we could put the
7 state's resources to work for the people in
8 the area with the highest unemployment rate
9 in the state.

10 Using the staff and resources of the
11 department, the Strikeforce so far has
12 engaged more than 10,000 Bronx residents and
13 secured more than 7,000 job placements for
14 those Bronx residents, with more underway.
15 Forty percent of those placements were
16 individuals who were considered long-term
17 unemployed.

18 Because of its success, the Governor
19 has requested that the department expand this
20 proven model to include Jefferson, Lewis,
21 Kings, St. Lawrence, Oswego, Orleans,
22 Montgomery, Franklin and Steuben counties,
23 chosen based on their high unemployment
24 rates.

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1 In his State of the State address, the
2 Governor also proposed an expansion of the
3 highly successful New York Youth Works
4 program, which will be called the Urban Youth
5 Jobs Program. The program, which is run by
6 the department, encourages businesses to hire
7 unemployed, disadvantaged youth who live in
8 13 target areas around the state, and was
9 reauthorized in 2013 for four years. Since
10 2012, it has connected more than 18,000
11 at-risk youth to jobs with more than 2,000
12 businesses.

13 The 2015 Executive Budget proposed an
14 additional \$10 million annually through 2018,
15 to focus on the cities with the highest
16 poverty and unemployment rates: Buffalo,
17 New York City, Rochester, Syracuse and Utica.

18 As you can see, we're building on the
19 success of the past four years, the economy
20 is growing, and under Governor Cuomo's
21 leadership we continue to add thousands of
22 jobs. The Department of Labor is supporting
23 the Governor's initiatives by connecting job
24 seekers to jobs, partnering with businesses

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1 to boost hiring, and protecting workers and
2 the public across our great state.

3 Thank you, and of course I'm happy to
4 take any questions.

5 CHAIRMAN DeFRANCISCO: Senator Savino.

6
7 DeFrancisco.

8 Good afternoon, Commissioner. I'm
9 sitting here listening to your testimony and
10 I'm feeling slightly guilty about it, because
11 I think between myself and Assemblymembers
12 Wright and Heastie, we've saddled your agency
13 with practically all the work that you do
14 these days, whether it's wage theft -- and
15 I'm very pleased to see the increased efforts
16 on the part of workers.

17 I know today the Governor announced a
18 record \$30 million in lost wages that have
19 been returned to workers. That was the
20 intent of the Wage Theft Prevention Act.

21 But I also know that, as I said, I've
22 saddled you with a lot of responsibilities,
23 from wage theft to misclassification in the
24 construction industry and prompt pay and

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1 misclassification in the trucking industry. And I'm
2 concerned that I don't see an increase in
3 your budget. I see that in fact you have a
4 reduction in head count proposed for this
5 year because of the shifts in the
6 Unemployment Insurance program.

7 I just question if in fact that's
8 wise. Do you not think that you could find
9 an alternative way for these employees to
10 continue the good work that I continue to
11 saddle you with every year?

ACTING COMMISSIONER MUSOLINO: Well,

12 Senator, we appreciate you saddling us with
13 all of this work because we know it's
14 important work to do for the people of the
15 state. And we have been very successful over
16 the past year. And I'd be remiss -- and I
17 know you know this, Senator. We have a
18 terrific staff. Our labor standards staff
19 and the staff throughout the agency is
20 terrific. They take their job seriously;
21 they care about doing the right thing.
22

23 With respect to our budget proposal
24 this year, as you said, there is a

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1 significant reduction in head count, but that
2 is the federal side of the house. That is
3 not the state-funded side of the house.
4 We've seen, as every state in the country has
5 seen, a very significant reduction in our
6 federal funding.

7 That's driven by the improvement in
8 the economy. It's good news because the
9 economy is improving. It is always
10 challenging for staff, because the funds of
11 course always come down quicker than the
12 workload decreases. But we're able to keep
13 up on the federal side, and I'm sure we'll be
14 able to talk about that a little.

15 On the state side, which is this labor
16 standards area, the worker protection area,
17 we've done a couple of things to improve the

18 efficiency of staff over the last year. And
19 we're quite able, I think, to keep up with
20 all of the workload that we have.

21 Now, as one other statistic I would
22 give you, last year we were able to complete
23 investigations in labor standards cases of
24 about 9,000 cases. We only had 6,000 new

♀ 257

1 cases come in. So we were able to cut into
2 that overhang of cases that we had.

3 Some of the things that we did, we
4 shifted some resources internally and put
5 more into the investigatory staff. We're now
6 at a staff of about 129 investigators. That
7 is higher than we've been in a long time. We
8 did that by juggling around a little bit with
9 administrative staff and some other things,
10 moving around staff within that state-funded
11 area.

12 We've also done a little bit more with
13 technology. We've improved our case
14 management system, and we're looking at a
15 complete rebuild of the case management
16 system this year, which I think will be
17 helpful.

18 So overall, I appreciate your concern,
19 but I think our staff is really up to the
20 task. I'm confident we'll be able to keep up
21 with the workload that I'm sure you'll keep
22 bringing on for us.

23 SENATOR SAVINO: Well, I certainly --

24 yes, I will. I certainly hope so.

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1 I wanted to ask you a question about
2 the proposal in the budget for the new
3 minimum wage. And I'm just curious as to the
4 methodology that went into determining that
5 it should be \$11.50 for New York City, \$10.50
6 other places. Because I have a proposal that
7 I've introduced that would allow the state to
8 maintain oversight over the floor -- we would
9 establish the floor, as we do now -- but
10 allow localities, pursuant to enabling
11 legislation, to raise it up to 30 percent
12 higher than the state floor.

13 ACTING COMMISSIONER MUSOLINO: Well,
14 Senator, currently, as I think you probably
15 know, there are about 400,000 people in the
16 state who receive minimum wage.

17 And we're projecting now that with the
18 proposals in the Governor's budget to
19 increase it to \$10.50 statewide and then
20 \$11.50 in New York City, the \$10.50 statewide
21 would impact about 775,000 workers and the
22 New York City proposal to go to \$11.50 would
23 impact another 571,000 workers. So those are
24 folks who are making between the current

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1 minimum wage and the proposed minimum wage
2 two-step that the Governor has proposed.

3 So that's about 1.2 million people who
4 would be impacted by that. And we're

5 projecting that the total annual wage
6 increases would be about \$3.2 billion. So
7 that's a significant boost to the local
8 economies around the state by doing that.

9 I think your question about the
10 methodology that went into this, really, I
11 think the Governor has supported the idea --
12 or recognized the idea, I should say, in his
13 proposal: The current minimum wage is not
14 adequate to sustain a family. It is -- in
15 many cases, folks end up below the poverty
16 level when they have a family of two or
17 three, even if they're working full-time.

18 This proposal was intended to raise
19 that to generate more economic activity, as I
20 just discussed with you. But the Governor
21 also, I think, has expressed concerns about
22 having multiple minimum wages across many,
23 many jurisdictions. He supports the idea,
24 because we know New York City has a higher

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1 cost of living -- you know, everyone knows
2 that that's the case -- so he believes that
3 that's more in the purview of setting the
4 state standards across the board.

5 And so his proposal tried to balance
6 these different concepts, recognizing
7 New York City's higher cost of living but at
8 the same time making sure that we have equity
9 across the whole state.

10 SENATOR SAVINO: I understand the

11 explanation that you've given. I do think,
12 though, that it's possible we may wind up not
13 making anybody happy this way. There are
14 those outside of New York City who say, well,
15 \$10.50 is too much for us -- I'm not saying I
16 agree with them -- and then there are some in
17 New York City who say \$11.50 is insufficient
18 to acknowledge the increased costs of living
19 in New York City.

20 So I think we could kind of marry the
21 two issues, have the hybrid of it, where you
22 have a higher minimum outside the City of
23 New York but you do allow localities,
24 pursuant to enabling legislation, on their

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1 own to raise theirs 30 percent above the
2 state floor.

3 And finally, on one other issue that I
4 had and then I will move on, I understand, I
5 think it's next week, we expect the Wage
6 Board to make the recommendations about
7 tipped-wage workers.

8 ACTING COMMISSIONER MUSOLINO: That's
9 correct.

10 SENATOR SAVINO: You are not yet the
11 official commissioner of the Department of
12 Labor. Are you authorized to accept that
13 recommendation from the Wage Board?

14 ACTING COMMISSIONER MUSOLINO: Yes.

15 SENATOR SAVINO: And you can implement
16 it with no --

17 ACTING COMMISSIONER MUSOLINO: Yes.
18 And there's a process that will now take
19 place, and it's possible that their report
20 will come forward before next week. I'm
21 expecting, in fact, that it will come forward
22 this week.

23 And there is a two-step process that
24 takes place. As soon as the report comes

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1 forward to my office, we are required under
2 statute to post it for 15 days. We have to
3 notify 10 newspapers in the state or
4 something like that, and we'll certainly meet
5 the posting requirement. We will do that
6 immediately; we'll do it within a day of
7 receiving the report.

8 Then there's that 15-day comment
9 period. I will use that 15-day comment
10 period to go through the -- we had 130 people
11 who submitted written testimony, 100 people
12 who testified in person, the studies they
13 looked at. So I'll use the 15-day period to
14 look at that.

15 At that point, very short -- I don't
16 know how many comments we'll get in the
17 15-day comment period so I don't want to
18 commit to a particular period of time, but it
19 will be a very quick turnaround and we will
20 issue an order at that point which is then
21 subject to the State Administrative
22 Procedures Act. So it then goes out again, I

23 believe a 45-day period. It might be 60, but
24 I believe it's 45 days at that point.

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1 But to answer your question, I am
2 empowered, as acting commissioner, to act on
3 the report.

4 SENATOR SAVINO: Thank you.

5 CHAIRMAN FARRELL: Thank you.

6 Assemblyman Wepri n.

7 ASSEMBLYMAN WEPRI N: Thank you.

8 I was going to ask a number of
9 questions along the line of Senator Savino,
10 but just on that subject, though, one thing
11 that was not brought up is have you
12 considered indexing the minimum wage for
13 inflation? You know, it would give
14 predictability and we wouldn't have to go
15 through this exercise each and every year.

16 But I will say I do support the
17 proposal to increase the minimum wage now,
18 but I certainly would love to see, as we have
19 supported in the Assembly in our one-house
20 bills in the past, to have an indexing to
21 inflation.

22 Has there been consideration on that?
23 And can you tell me what happened? And I
24 assume it's not in the proposal.

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1 ACTING COMMISSIONER MUSOLINO: The
2 issue of indexation is certainly one that's

3 been discussed, as you know, Assemblyman, for
4 a long, long time. It is a matter of some
5 controversy. There are folks in the business
6 community who oppose it very strongly, though
7 there are some folks in the business
8 community who have supported it.

9 The Governor's proposal does not
10 include an indexing component. The
11 Governor's proposal just establishes the
12 \$10.50 for statewide and then the \$11.50 in
13 New York City.

14 From the Department of Labor
15 perspective, we would implement whichever
16 system actually comes into force. And our
17 role is to make sure the business community
18 is aware of what their rules are, what the
19 law states. Our goal is always to get
20 compliance up-front, not recover wages at the
21 end, so we want to make sure that whichever
22 system ends up there, whatever the numbers
23 are, we inform the business community and
24 advocates for workers so that we're able to

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1 enforce the minimum-wage law that exists.

2 ASSEMBLYMAN WEPRI N: Okay. The other
3 thing is there has been legislation that
4 Mayor de Blasio has supported in the city to
5 allow localities to increase the minimum wage
6 by local rule and, in the city case, the New
7 York State City Council, a body which I
8 served on for eight years.

9 Does Mayor de Blasio -- we haven't
10 heard from him. Normally he starts off the
11 budget hearings, but because of the
12 snowstorm, I think he's testifying on
13 February 25th. But has Mayor de Blasio --
14 has there been input from Mayor de Blasio on
15 the \$11.50 for New York City, and does he
16 support that in the budget the way it is?

17 ACTING COMMISSIONER MUSOLINO: I'm
18 sorry, I don't know the answer to that
19 question, Assemblyman. I haven't seen any
20 statements by the mayor one way or the other.

21 ASSEMBLYMAN WEPRI: Okay. Then I
22 guess we can ask him on February 25th.

23 Thank you.

24 ACTING COMMISSIONER MUSOLINO: Thank

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1 you.

2 CHAIRMAN FARRELL: Thank you.

3 CHAIRMAN DeFRANCISCO: Senator
4 Krueger.

5 SENATOR KRUEGER: Good afternoon.

6 The managerial/confidential employees
7 have been begging for equal rights to pay
8 raises for years now, which the Legislature
9 passed, it was vetoed, but it was promised.
10 It appears that there's actually a proposal
11 in this year's budget to make them whole.
12 Can you confirm that and explain how that's
13 going to work? It seems to be a multiyear
14 exercise.

15 ACTING COMMISSIONER MUSOLINO: I'm not
16 really familiar with the details of that, and
17 I think when your workforce development
18 hearing occurs, folks from GOER would be able
19 to give the details.

20 There is a proposal that I believe
21 starts with 2 percent this year and then
22 there's some phase-in, but I really don't
23 know the details of that.

24 SENATOR KRUEGER: I thought it was

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1 Civil Service too, but I was actually a
2 little bit thrown off by the Department of
3 Labor being in the Human Services hearing
4 today. I actually expected to see you in the
5 Workforce Development hearing.

6 ACTING COMMISSIONER MUSOLINO: We've
7 been back and forth over the last couple of
8 years. We were in Human Services for a long
9 time, last year we were in Workforce
10 Development, and this year you asked us to be
11 at this hearing.

12 CHAIRMAN DeFRANCISCO: We want to keep
13 you on your toes.

14 (Laughter.)

15 SENATOR KRUEGER: Or they're keeping
16 us on our toes.

17 We started a program several years ago
18 called the Urban Youth Jobs Tax Credit where
19 the Department of Labor would determine who
20 would be eligible geographically, what would

21 be the definition of eligibility and who
22 would be approved for them, because it was a
23 capped program, I believe at \$10 million.
24 Now, in this budget, it's being increased by

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1 an additional \$10 million.

2 So a couple of questions I'll ask you
3 together. So how did it work, and who was
4 getting the tax credits from the original
5 \$10 million? And what do you plan to do
6 differently with the additional \$10 million?

7 ACTING COMMISSIONER MUSOLINO: The
8 original program folks might know under the
9 first name that the Legislature enacted it,
10 which was the New York Youth Works Program.
11 And it was enacted -- I'm going to have to
12 count backwards in years. It was enacted
13 originally with a \$25 million allocation for
14 one year.

15 SENATOR KRUEGER: Right.

16 ACTING COMMISSIONER MUSOLINO: It was
17 then dormant in 2013 and reestablished in
18 2014 with a \$10 million -- so it was
19 originally in 2012 with a \$25 million credit,
20 nothing in 2013, and then a four-year program
21 2014 through 2018 at \$10 million a year.

22 It was targeted at the time, the
23 original New York Youth Works Program, to the
24 10 largest cities in the state and the two

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1 largest towns in the state. I believe the

2 smallest city was White Plains. So I think
3 if you go up from White Plains, that's how
4 you'll get the 10 cities. And I could
5 probably remember them if I went through it.

6 The idea was to focus on youth who had
7 a barrier to employment and who lived in
8 those cities. So they had to live in the
9 city. The business didn't necessarily have
10 to be in the city, the youth had to actually
11 live in that city.

12 And we were I think expansive in our
13 definition of barriers to employment, because
14 we know that the youth unemployment rate was
15 very high. So we tried to be as expansive as
16 we could. We ended up with, in the first
17 year, I want to say -- I know the number of
18 youth who got placed in the first year was
19 about 13,000, a little over 13,000 youths who
20 actually were certified youths who were hired
21 by a certified business. I think that we
22 actually had certified youth over 20,000 that
23 year, but it might have been 18,000. But I
24 think it was over 20,000, and about 13,000 of

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1 them did receive jobs.

2 Fast forward now to 2014, last year,
3 when the \$10 million came back, obviously a
4 smaller program. But we still ended up with
5 about 5,000 youth being employed with a
6 certified business. So between the two years
7 we've run already, 18,000, almost 19,000

8 youth, I believe, that were appointed. Or,
9 I'm sorry, that were employed.

10 The expansion this year is to keep
11 the -- oh, I'm sorry, one step back. There
12 was an additional -- I believe White Plains
13 was added when we expanded the program in
14 2013. So the first was 2012 and then I
15 believe White Plains got added when we
16 expanded for 2014.

17 The \$10 million additional this year,
18 the 13 localities are still the only
19 localities that exist. And they will share
20 that first \$10 million pot. In addition, the
21 additional \$10 million will be for the
22 localities of those 13 that have the highest
23 unemployment rates and the highest poverty
24 rates. And this turns out to be five

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1 locations. It's going to be New York City,
2 Utica, Syracuse, Rochester and Buffalo. So
3 those will be the five that will have that
4 additional \$10 million. All 13 get the first
5 \$10 million, and they'll have the additional
6 \$10 million to access.

7 SENATOR KRUEGER: So in follow-up,
8 this credit, at least under the old scenario,
9 I think you could get 500 per month for up to
10 the first six months of employment, a
11 thousand per employee for an additional six
12 months, and a thousand per employee for an
13 additional year.

14 Does this new \$10 million have the
15 same formula but -- I'm trying to figure out
16 how to ask it. Are you going to be running
17 two programs with \$20 million, or are you
18 just broadening the criteria to apply for the
19 \$20 million under the same rules per hiring
20 of a kid?

21 ACTING COMMISSIONER MUSOLINO: Yeah,
22 it's going to be the same rules. It's going
23 to be the \$500 a month for the first six
24 months. And I think -- in your notes,

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1 Senator, I think you double counted the
2 thousand. If they stay another six months,
3 there's an extra thousand.

4 SENATOR KRUEGER: There's an extra
5 thousand.

6 ACTING COMMISSIONER MUSOLINO: So the
7 idea -- for retention.

8 SENATOR KRUEGER: And can you go
9 beyond the year?

10 ACTING COMMISSIONER MUSOLINO: You
11 could, but you would not receive any
12 additional tax credit. We would hope the
13 kids would stay employed in some of those
14 cases. But the tax credit is for if they
15 stay for that full year, they'll get \$4,000
16 in tax credits.

17 Our intention is to not change any of
18 that. It's really to say -- because we've
19 seen the program oversubscribed. We've seen

20 more kids than tax credit was available.
21 This will allow us to continue to take kids
22 in from those -- and I say "kids"; they're 16
23 to 24 years old. So they're not just kids,
24 you know. So it will allow us to allocate

♀ 273

1 more tax credits in those cities for the
2 young people who meet the requirements. But
3 the program will be the same.

4 SENATOR KRUEGER: Because I sometimes
5 worry that we don't match our programs to the
6 realities of our young people. You know, TAP
7 isn't allowed to be for part-time students,
8 which I don't think makes any sense. Can you
9 be a part-time worker? Because I want to
10 encourage young people to complete their
11 educations, even though I want them also to
12 be able to get jobs at living wages to help
13 them move up and out of poverty into the
14 economy.

15 Can you do blended, yes, part-time
16 work and still be eligible?

17 ACTING COMMISSIONER MUSOLINO: Yes.
18 Absolutely. And you're exactly right,
19 Senator. There's a lot of research that says
20 the most important thing you can do is
21 connect youth to the labor market early. And
22 so a lot of the youth getting connected are
23 doing part-time jobs. And that's terrific.
24 That's really a good start for them. So a

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1 good number of these tax credit programs
2 actually have focused on part-time work for
3 kids.

4 SENATOR KRUEGER: And where am I? Oh,
5 I have a minute-and-a-half left. Great.

6 So your board at the Department of
7 Labor just made a recommendation for
8 increasing tipped workers' wages. Whether or
9 not I think they went far enough, does that
10 automatically happen? What happens now?

11 ACTING COMMISSIONER MUSOLINO: No,
12 what happens next is they will submit a
13 report to me, as the acting commissioner.
14 That will then be published for a 15-day
15 comment period.

16 SENATOR KRUEGER: I'm told you
17 answered this already and I wasn't listening
18 carefully.

19 ACTING COMMISSIONER MUSOLINO: I did.
20 And then there will be an order issued which
21 will then be part of the State Administrative
22 Procedures Act.

23 SENATOR KRUEGER: Sorry for not
24 listening more carefully earlier. Thank you.

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1 Thank you.

2 ACTING COMMISSIONER MUSOLINO: I'll
3 try to be more interesting.

4 (Laughter.)

5 SENATOR KRUEGER: No, no, it's not

6 you. It's not you.
7 CHAIRMAN FARRELL: Mr. Aubry.
8 ASSEMBLYMAN AUBRY: Thank you.
9 Good afternoon, Commissioner.
10 ACTING COMMISSIONER MUSOLINO: Thank
11 you.
12 ASSEMBLYMAN AUBRY: I want to follow
13 up on my colleague's discussion about the
14 Youth Works Program. Do we have a detailed
15 report and analysis of this program relative
16 to who gets those jobs by category, what kind
17 of young people, where they come from? Some
18 analysis of this that is -- we're capable of
19 looking at.
20 ACTING COMMISSIONER MUSOLINO: We do
21 not, but we could provide you with that if
22 you could send me specific questions.
23 We do know where the youth come from.
24 For example, we know the relative number in

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1 New York City versus the number in Rochester,
2 for example. I'd have to check with our
3 research folks, but I'm pretty sure that
4 we're also able to identify the industries
5 that they are in.

6 ASSEMBLYMAN AUBRY: Doesn't it make
7 sense, if we're going to reinvest in
8 programs, that we have some written analysis
9 of what it actually does, what it
10 accomplishes, part-time, half-time, whether
11 those young people stay employed with the

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companies? Wouldn't that be important?
If we have a company who's hiring folks and, as soon as the tax benefit runs out, lets them go -- I mean, it's probably still a good idea for the young person to have that work. But do we want to then reaccept a company who comes back to us and says, Oh, I'll hire another 10 for a year?
And so it may be counterproductive relative to what we're doing.
And also the unemployment rate for the 16-to-24-year-old I presume minority workers, what is that at this point in time, what was

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it last year? Do you know?
ACTING COMMISSIONER MUSOLINO: I don't know off the top of my head. It's significantly higher than the population at large. The population in the state right -- I'm sorry, the unemployment rate in the state right now is about 5.8 percent. My recollection -- but I hate to throw out numbers that are off the top of my head, so we can get you the number. My recollection was that it was in the low-to-mid teens, the unemployment rate.
ASSEMBLYMAN AUBRY: And that would be my recollection too.
And so it seems to me that as we tout this program, which may be successful, that we have to compare it to the size of the

18 problem. And oftentimes -- and I've had
19 these conversations with the Governor, in
20 fact, talking about the need to work with
21 this population. I'm always referred back to
22 this program -- Oh, we've got a program that
23 works well for youth unemployment -- but that
24 population unemployment number doesn't go

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1 down. And so that is, to me, a real problem.
2 That means we are -- whether those resources
3 that we're providing are not commensurate to
4 the problem that we face.

5 And so I reject the idea that this
6 program is the answer for how we're going to
7 handle this population, considering all of
8 those that don't get into it and that we
9 leave large numbers of folks out who are not
10 there.

11 Even more so, that we are so selective
12 about where it seems to go. That bothers me
13 greatly, that we would choose one
14 neighborhood over another neighborhood in
15 whatever {inaudible} they would. And if I
16 were from the last panel from Brooklyn, I'd
17 be screaming, yeah, I want Brooklyn, I want
18 Brooklyn, right.

19 But wherever we have these areas where
20 our young people are languishing, not a part
21 of the economic engine of this state, we have
22 a problem. And so I would hope that we would
23 be able to be a little bit more expansive in

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where it goes and reaching out. And I

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1 certainly would like to know more specifics
2 about who in fact are the young people who
3 are getting through this web to get jobs and
4 what we're doing with those companies. Are
5 they investing in the long-term future of
6 these young people, or are they just spinning
7 it to get benefits?

8 Because I believe Denny Farrell taught
9 me long ago that he didn't like those kind of
10 programs because we had instances in the past
11 where those companies only used the benefit
12 for their purposes and not for the young
13 people who were being taken care of. So that
14 is truly useful to know.

15 The other -- if we still have this
16 large portion of population that is still at
17 danger, what are we thinking about doing with
18 them?

19 ACTING COMMISSIONER MUSOLINO: Well,
20 Assemblyman, first I guess I'd like to point
21 out that with the Governor's budget proposal
22 this year, he's proposing to double the size
23 of the program. So there is an investment
24 there that the Governor has proposed in his

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1 budget. And he has proposed targeting it to
2 the most needy areas in the state by focusing
3 on the cities that have the combination of
4 the highest unemployment rate and the highest

5 poverty rate. So there is an intention to
6 focus it and target it on the most needy
7 areas.

8 You raise a very interesting point
9 about businesses that may take advantage of
10 tax credits and just keep the person on for
11 as long as they receive the tax credit and
12 then let them go. And I don't want to imply
13 that that's an endemic problem or anything
14 like that, but certainly I have no doubt that
15 that occurs.

16 In looking at the results of the
17 New York Youth Works Program, now the Urban
18 Youth Jobs Program, I would express a little
19 bit of caution, because in many cases these
20 young people who are getting perhaps their
21 first job, it is natural for them to not be
22 employed in that same business a year later.
23 Hopefully we will see that they have moved on
24 to different job, a better job, or a job

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1 that's just more to their liking or more to
2 their interest because they've now
3 established a work record.

4 So I wouldn't want to automatically
5 assume that because they aren't at the place
6 that hired them that somehow that meant the
7 program really wasn't successful. It's
8 created some work history for them, as you
9 said. And they may in fact have transferred
10 over to another job as well. And we are able

11 to review that over time when we look at wage
12 records.

13 ASSEMBLYMAN AUBRY: And I don't want
14 to -- because my time is not that long. But
15 one of the problems when I initially started
16 asking about this program was the explanation
17 that we would not see the number of hires
18 because the tax filing came well after the
19 employment may have happened. So we could
20 scratch around for a couple of years waiting
21 to see these tax returns come back, or
22 applications for the exemption, and not know
23 what has happened to young folks.

24 So it is sort of flying blind from a

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1 legislative point of view, since we have no
2 way to monitor its application, how it's
3 working, what's going on, we have to just say
4 "Oh, good."

5 The other is I think -- and one of the
6 reasons Assemblyman Farrell used to not like
7 that, is because we went through a place and
8 time when we had similar programs and we had
9 companies who were started only to get the
10 tax benefit. And that was a scandal.

11 So I'm very cautious relative to that.
12 But most of all, I'm cautious about that's
13 the only answer for this population that we
14 appear to be putting forward, to a population
15 that is so dramatically in need in our
16 cities, in our urban areas, in our rural

17 areas.

18 ACTING COMMISSIONER MUSOLINO: Well,
19 there are a couple of things. And one, if I
20 misspoke, I want to try to clarify.

21 We do know whether the youth were
22 hired and what business hired them. What we
23 don't know for some period of time is how
24 long they stayed -- so that's by reviewing

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1 quarterly wage records in the future. And
2 interestingly, we don't know for a number of
3 years, in some cases, whether the business
4 actually took advantage of the tax credit.

5 It's an interesting situation where we
6 have seen businesses who apply for the tax
7 credit, they hire a kid who is eligible so we
8 certify them for the tax credit -- then that
9 becomes the province of the Department of Tax
10 and Finance, of course. And anecdotally,
11 we've heard a lot of businesses at the end
12 don't necessarily file that tax credit the
13 first year, they might wait till the second
14 year or the third year.

15 So we won't know if they've used all
16 of the tax credit money, but we do know the
17 business hired a kid and the kid was a
18 certified and eligible kid. So that's number
19 one.

20 Number two, the Urban Youth Jobs
21 Program is focusing on the high-need areas in
22 the state, the 13 and then the five specific

23 targeted areas, but there are additional
24 youth funds that are available. And our

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1 colleagues at OTDA discussed, for example,
2 the Summer Youth Employment Program today,
3 which is a \$30 million program that's
4 available to all of the social services
5 districts in the state. We've coordinated
6 our activities with those programs. In fact,
7 in many of the social service districts in
8 the state it's actually the Local Workforce
9 Investment Board that runs the Summer Youth
10 Employment Program, because of the expertise
11 they have in youth programs.

12 In addition, the Workforce Investment
13 Act includes a significant amount of
14 resources for youth programs. That's all
15 locally developed. Those funds come from the
16 state down to the local areas.

17 One thing that's worth noting, as the
18 Workforce Investment Act was reauthorized
19 this year -- renamed the Workforce
20 Opportunity Act -- they've made a shift,
21 which the U.S. Department of Labor hasn't
22 issued regulations yet, but they have shifted
23 the focus for youth funding to out-of-school
24 youth. And now 75 percent of the youth

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1 dollars will have to be spent with
2 out-of-school youth.

3 So that's a more at-risk population.
4 You can argue that maybe you should get them
5 while they're in school, as opposed to being
6 out of school. But there is a shift there,
7 so that's some additional resources that will
8 go to this population as well.

9 ASSEMBLYMAN AUBRY: I have 14 seconds,
10 and I can only say this. Historically, I was
11 on the city's Council Against Poverty. We
12 had an in-school and an out-of-school
13 program, equally important, and summer youth
14 employment at that time was like \$60 million.
15 And so we've reduced that, so there's long
16 lines to get summer youth employment and
17 smaller numbers of people taking advantage,
18 and the unemployment rate for that population
19 is bigger.

20 So, you know, I certainly support all
21 of that, but we have called for some time
22 that the cure needs to respond to the
23 disease. We just can't put a little dab here
24 and a little dab there and think we're going

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1 to fight it.

2 Thank you.

3 ACTING COMMISSIONER MUSOLINO: Thank
4 you.

5 CHAIRMAN DeFRANCISCO: I have just one
6 question. Are there any plans to merge the
7 Department of Labor with the Department of
8 Economic Development?

ACTING COMMISSIONER MUSOLINO: None

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that I am aware of.

CHAIRMAN DeFRANCISCO: Thank you.

CHAIRMAN FARRELL: Assemblywoman Mayer.

ASSEMBLYWOMAN MAYER: Thank you, Mr. Chairman.

My first question is about the NY Works project. I represent the City of Yonkers, only the City of Yonkers, and I know we had a number of participants.

I think it would be very important, before we vote on any authorization, particularly when it's not going to be targeted in my community, that we do know how many young people participated. I understand

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you may not be able to show the tax credit part, but it seems like you should be able to know the number of youth and the industries in which they began employment.

ACTING COMMISSIONER MUSOLINO: Yes.

ASSEMBLYWOMAN MAYER: So I would ask that that information be provided.

ACTING COMMISSIONER MUSOLINO: We will get that.

ASSEMBLYWOMAN MAYER: The second thing is a subject that I don't think you've discussed, which is the determination of public work and application of prevailing wage laws to public work.

15 My experience is that the department,
16 notwithstanding what you've said, does not
17 have sufficient staff to determine whether
18 work is public work under the law and to
19 strongly enforce prevailing wage laws. And I
20 wondered what your plan is, particularly with
21 respect to the fact that you have a decreased
22 budget proposal here, how you are going to
23 address outstanding complaints throughout the
24 state that public work is going to basically

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1 low bidders who are not paying prevailing
2 wage, in violation of the state's law. And
3 frankly, unless they can find a lawyer to
4 bring a lawsuit, there seems to be very
5 little enforcement, unless I'm incorrect.

6 ACTING COMMISSIONER MUSOLINO: I
7 would -- I would disagree with the
8 characterization that there's very little
9 enforcement. We have public work staff in
10 every region of the state. Last year we
11 returned, I believe, over \$8 million in wages
12 to people who had been cheated out of their
13 wages because they weren't paid the proper
14 prevailing wage. By and large, those cases
15 do not take us a long time to turn around.

16 There are issues with the complexity
17 of the prevailing wage laws that I know
18 you're aware of. And I always remind folks
19 when I discuss prevailing wage laws that we
20 as a department are reacting to court

21 decisions that continue -- well, that's
22 probably too strong -- that do change what
23 the decision about what is prevailing wage
24 and what isn't prevailing wage turns out to

♀ 289

1 be.

2 There's a recent court decision that
3 added a sort of a third prong in how you look
4 at whether something is a prevailing wage, a
5 public work project that would trigger
6 prevailing wage or not.

7 So the issue really is not a staffing
8 issue at all. As I say, we had a strong year
9 last year with \$8 million returned to
10 workers. There are some cases -- and I don't
11 know if you have specific cases that we could
12 talk about offline at some point -- that are
13 more complicated than other ones. But the
14 issue wouldn't be staffing on those, it's
15 really about the legal interpretation.

16 ASSEMBLYWOMAN MAYER: Oh, I understand
17 that. Have you proposed any change in the
18 Article 7 language to clarify what the
19 department or the Governor considers public
20 work subject to prevailing wage?

21 ACTING COMMISSIONER MUSOLINO: No, we
22 have not.

23 ASSEMBLYWOMAN MAYER: And on the
24 Strikeforce on the wage theft, you identified

♀ 290

1 counties where I believe the Strikeforce is

2 continuing. It doesn't include Westchester;
3 is that correct?

4 ACTING COMMISSIONER MUSOLINO: The
5 Strikeforce that I referred to is an
6 unemployment Strikeforce. That's about
7 bringing in resources to help people obtain
8 work. And it does not include Westchester
9 County.

10 ASSEMBLYWOMAN MAYER: Okay. Thank
11 you.

12 CHAIRMAN FARRELL: Mr. Goodell.

13 ASSEMBLYMAN GOODELL: Thank you,
14 Mr. Chairman.

15 With regard to the minimum wage, am I
16 correct that that would not take effect, the
17 increase in minimum wage, until December of
18 2016?

19 ACTING COMMISSIONER MUSOLINO: That's
20 correct.

21 ASSEMBLYMAN GOODELL: So it doesn't
22 take effect until roughly eight months after
23 this budget cycle.

24 ACTING COMMISSIONER MUSOLINO:

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1 Correct.

2 ASSEMBLYMAN GOODELL: Is there any
3 appropriation, then, that's in this
4 particular budget that would be affected by
5 that proposed minimum-wage increase?

6 ACTING COMMISSIONER MUSOLINO: None
7 that I'm aware of, no.

8 ASSEMBLYMAN GOODELL: I usually
9 reserve this question for Chairman Farrell --

10 CHAIRMAN FARRELL: You're taking it
11 away from me?

12 (Laughter.)

13 ASSEMBLYMAN GOODELL: But I'm going to
14 take it away from him.

15 You know, the New York State
16 Constitution is very, very clear that
17 Article 7 language must relate to a specific
18 appropriation, and its effectiveness is
19 limited to that appropriation.

20 So my question is, if there's
21 absolutely no appropriation in this budget
22 that relates to the proposed minimum-wage
23 increase that will occur eight months after
24 this budget, what is the constitutional basis

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1 for having it in Article 7 language?

2 ACTING COMMISSIONER MUSOLINO: Not
3 being a constitutional expert, I would defer
4 that answer to someone who is more qualified
5 to say that.

6 I would say that were the Legislature
7 to enact -- to approve the Governor's
8 proposal with respect to minimum wage, we as
9 a department would immediately use our
10 resources to notify the business community.
11 It's what I had said to you earlier, that our
12 goal is always to achieve compliance, not to
13 come after the fact and do enforcement.

14 So when you ask is there an
15 appropriation relevant to the implementation
16 of an increased minimum wage that might not
17 take effect until four months after the
18 budget --

19 ASSEMBLYMAN GOODELL: Eight months.

20 ACTING COMMISSIONER MUSOLINO: -- I
21 assure you, we will begin to utilize our
22 resources to inform the business community as
23 well as the advocacy community well before
24 December 2016. We would begin that process

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1 April 1st of this year.

2 So we would be using resources in that
3 sense to notify people what the minimum wage
4 schedule will be running out through 2016.

5 ASSEMBLYMAN GOODELL: But there's no
6 specific appropriation that you're aware of
7 in this budget related to that?

8 ACTING COMMISSIONER MUSOLINO: That's
9 correct.

10 ASSEMBLYMAN GOODELL: My second
11 question relates to the workers' comp
12 surcharges. As you know, we had a number of
13 plants that went bankrupt. There were
14 massive surcharges on the remaining employers
15 that were still in business. It's my
16 understanding that those surcharges have now
17 been extended to employers who weren't even
18 part of those bankrupt plants; is that
19 correct?

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1 lose 100 percent of that day's unemployment,
2 if you will, or one-quarter of your
3 unemployment for the week.

4 Many employers, I've been told, often
5 use part-time employment as a gateway to
6 full-time employment. Like a substitute
7 teacher then is considered with a priority
8 for full-time teaching. Wouldn't we save a
9 lot of money for the taxpayers and help
10 employees tremendously if we allowed
11 employees to work part-time and reduce their
12 benefit by 50 percent of what they earn?

13 It seems like it would dramatically
14 reduce our costs and increase employment.
15 What are your thoughts on that?

16 ACTING COMMISSIONER MUSOLINO: As --
17 you put your finger on it, Assemblyman. New
18 York State has a different system than the
19 majority of states in the country have with
20 respect to part-time work. Folks who are
21 collecting unemployment are allowed to do
22 part-time work in every state in the country.

23 New York uses what is known as a
24 day-based system instead of what is known as

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1 an income-disregard system in many of the
2 other states in the country.

3 Under the day-based system, for every
4 day that a person works part-time or
5 full-time for that day, whatever -- for every

6 day that a person engages in work, they lose
7 one-quarter of their benefit for that week.
8 So they don't lose the whole benefit, they
9 lose one-quarter. If you work four days, you
10 lose your whole benefit, et cetera.

11 There are pros and cons or advantages
12 and disadvantages to that system. In some
13 ways, for folks who work one day a week with
14 a fairly high wage, maybe a tradesperson, for
15 example, only losing a quarter of their
16 benefit for that week actually ends up being
17 an economic advantage for them. Other folks,
18 as you say, if they make less than what a
19 quarter of that benefit would be for the
20 week, they would be at a disadvantage.

21 So it's not a clear black-and-white
22 circumstance. Really, each individual,
23 depending on their level of pay for that one
24 day of work, two days of work, would really

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1 impact what the ultimate result is for them
2 at the end of the week when they are
3 obtaining their benefits for that week.

4 We have not modeled what a difference
5 in that, moving from one system to another,
6 would be.

7 ASSEMBLYMAN GOODELL: I'd be
8 interested if you would ask some of your
9 technical staff, who are very skilled at
10 this, to take a look at that.

11 You mentioned, on the NY Works

12 program, the budget request is going from
13 \$20 million to \$40 million?

14 ACTING COMMISSIONER MUSOLINO: From
15 \$10 million to \$20 million.

16 ASSEMBLYMAN GOODELL: From 10 to 20.
17 And it's my understanding that under OTDA,
18 the Summer Youth Program is at \$30 million.
19 So this would be roughly two-thirds of what
20 the Summer Youth Program is.

21 ACTING COMMISSIONER MUSOLINO:
22 Correct.

23 ASSEMBLYMAN GOODELL: But the NY Works
24 program only applies to those 15

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1 municipalities that you mentioned.

2 ACTING COMMISSIONER MUSOLINO: That's
3 correct.

4 ASSEMBLYMAN GOODELL: Is there any
5 public policy why we don't want to help
6 disadvantaged youth facing barriers to
7 employment in other areas of the state
8 through the NY Works program?

9 ACTING COMMISSIONER MUSOLINO: Well, I
10 think the way that I would want to look at it
11 is that the NY Youth Works, now renamed the
12 Urban Youth Jobs Program, is a tool in the
13 toolbox, to use that kind of analogy.

14 There are other programs that exist,
15 and I mentioned the Workforce Investment Act
16 funds that go out to every locality in the
17 state, which have a particular focus on

18 youth, they have a particular title for youth
19 programs. And so that's available throughout
20 every area of the state, available to all the
21 youth in the state who qualify.

22 The NY Youth Works program was meant
23 to address a very specific problem, the
24 problem of high unemployment rates in urban

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1 areas of the state among youth. It was
2 really meant to attack that particular
3 problem. And it was felt by the Governor and
4 the Legislature at the time that it made
5 sense to try to address a very unique
6 problem, these -- Assemblyman Aubry mentioned
7 these high-unemployment rates in those areas.

8 ASSEMBLYMAN GOODELL: Would it make
9 sense for us to amend the New York Youth
10 Works program to make eligibility based on
11 the unemployment rate rather than the
12 residence of the youth? I mean, there are
13 rural areas with a very high unemployment
14 rate for youth as well. I'm just wondering,
15 if that's the objective, shouldn't we amend
16 the program to focus on high unemployment
17 rather than whether you're fortuitous or not
18 to live on one side of the street or the
19 other side of the street? One side of the
20 street in Yonkers; on the other side of the
21 street -- oh, well.

22 ACTING COMMISSIONER MUSOLINO:
23 Certainly the idea of trying to come up with

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a program that just addresses high

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1 unemployment rates has merit. I mentioned
 2 the unemployment Strikeforce that we have
 3 engaged that we began last year which is
 4 actually getting at exactly what you have
 5 said, trying to focus on the areas in the
 6 state that have the highest unemployment
 7 rates.

8 And so in my testimony I went through
 9 the additional counties that we are going to
 10 be adding, many of them upstate -- in fact,
 11 many of them North Country counties. But
 12 throughout upstate. We also had Oswego and
 13 Steuben.

14 So again, I talk about the Urban Youth
 15 Jobs Program as a tool in the toolbox. I
 16 think it makes sense to focus on the urban
 17 areas of the state that we know historically
 18 have always had the highest youth
 19 unemployment rates, particularly among
 20 minority youth. And the other programs that
 21 we've now put in place, the Strikeforce
 22 programs, will allow us to address the areas
 23 in the state that also have very high
 24 unemployment rates. And we've been

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1 successful with focused strategies in those
 2 areas of the state as well.

3 ASSEMBLYMAN GOODELL: Thank you.

4 ACTING COMMISSIONER MUSOLINO: Thank

5 you.

6 CHAIRMAN FARRELL: Ms. Fahy.

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

9 CHAIRMAN FARRELL: To close.

10 ASSEMBLYWOMAN FAHY: And welcome,
11 Commissioner. It's a true pleasure to see
12 you. And your testimony today, I have to
13 say, makes me very proud to say that it was
14 such an honor to have worked for the
15 Department of Labor before joining the
16 Assembly. So as always, a terrific job, and
17 I hope you become more than acting
18 commissioner. I hope that's not
19 inappropriate to say. But terrific job, and
20 very good to hear.

21 I have a couple of comments and then a
22 couple of quick questions.

23 Minimum wage, very encouraging to see
24 the Governor propose this. And obviously in

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1 certain instances I think that there is a
2 warrant for additional wages, but I am very
3 encouraged.

4 Summer jobs, I know that was mentioned
5 earlier, and you mentioned it as well. I
6 know we came very close to getting additional
7 federal funding on that a few times, and I
8 agree with many colleagues today who
9 mentioned that there is a desperate need for
10 an expansion, because it is so often the

11 first exposure teenage youth get to the world
12 of work, and it's very critical.

13 A couple of questions, one of them on
14 the Youth Works, or now you're proposing to
15 call it the Urban Youth. I want to say
16 that's actually a program I'm very proud of.
17 I had some input, as you know, you may
18 recall, in drafting that, and I just want to
19 make a comment somewhat in response to my
20 colleague's comment.

21 I was one of those that recommended
22 that it be a tax credit program as opposed to
23 a grant program, and that's because at the
24 end of 2011 when it was proposed in the

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1 extraordinary session, we were at the height
2 of the recession. And while I think tax
3 credits are a mixed bag and can be a very
4 mixed bag, we knew that the grant monies
5 weren't there at the time.

6 So that was one of the rationales, as
7 well as the idea of because there were such
8 limited dollars, that we went at the most
9 concentrated areas of poverty where we knew
10 teen unemployment was highest.

11 That said, I'm really pleased to see
12 the additional \$10 million that the Governor
13 is proposing to expand that program. But as
14 you can imagine, my obvious question is why
15 just the five and why not go further to
16 either the 13? And Albany, as you know, is

17 one of those, because of our serious
18 concentrations of poverty in the City of
19 Albany. And just wondered what's the
20 rationale and why just a few, even if you are
21 doubling the dollars.

22 ACTING COMMISSIONER MUSOLINO: Thank
23 you, Assemblywoman. And I have to say it's a
24 pleasure to be able to testify in front of

♀ 304

1 you. And I do recall that you were
2 intimately involved in the development of the
3 New York Youth Works program when it first
4 began.

5 And I think the rationale is as simple
6 as stated, that it is an idea that there is
7 such tremendous need throughout the state.
8 But it makes sense to try to focus on the
9 areas of absolute highest need. And I know
10 that's a relative concept, because there is
11 need everywhere. But I think the belief is
12 that if we can focus on an area at a time or
13 a couple of areas at a time and move the
14 needle there, that we can make a real
15 difference in those communities.

16 And so this doubling of the funding
17 but focusing that second tranche of funding
18 on the highest-needs area, it's objective
19 measures, it is the area that has the highest
20 unemployment rate and the highest poverty
21 rates. We selected the top six. And when
22 you do the top six unemployment rates and the

23 top six poverty rates, you get five
24 localities that meet those two screens.

♀ 305

1 And again, I just believe the focus is
2 to try to make a difference and move a needle
3 in the areas with the absolute most need by
4 objective measures.

5 ASSEMBLYWOMAN FAHY: Again, I support
6 the idea of targeting these funds. I would
7 rather just go back to the original list and
8 will do all I can to increase those fundings,
9 because I do think it does make a difference,
10 especially the out-of-school youth. As you
11 know, they are not the captive audience, and
12 we have other resources for in-school youth.

13 Last question on a similar program,
14 the Strikeforce, the Bronx Strikeforce. I'm
15 also pleased to see that there is an
16 expansion. Just wondered, though, since it
17 seems to only be targeted at unemployment --
18 and given what we just talked about, the need
19 and the intersection of poverty with
20 unemployment, it looks like the areas chosen
21 are not necessarily our highest-poverty areas
22 for expansion.

23 Again, thrilled to see the expansion,
24 but wondered why there isn't more of an

♀ 306

1 expansion in some of the hardest-hit areas
2 that have, again, that concentration of

3 poverty and unemployment.

4 ACTING COMMISSIONER MUSOLINO: The
5 genesis for the Strikeforce approach really
6 was a focus on long-term unemployed. And I
7 want to bring people back a year. And if you
8 might recall, there were extended
9 unemployment insurance benefits that existed
10 for a while that the federal government
11 eliminated about 13 months ago. And so we
12 had a crush of long-term unemployed -- that's
13 probably too strong a word. But we had folks
14 who lost their benefits and a lot of folks
15 who had been in that long-term unemployed
16 category who now had no income support.

17 So the idea behind the task force was
18 to really attack the problem of the, quote,
19 unquote, long-term unemployed, folks who were
20 unemployed for 26 weeks or more. So that's
21 the reason why we focused the Strikeforce
22 area just on the unemployment rate. It was
23 that unique population we were trying to get
24 at.

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1 ASSEMBLYWOMAN FAHY: Thank you. And
2 again, a true pleasure, a real honor to call
3 you a colleague.

4 ACTING COMMISSIONER MUSOLINO: Thank
5 you.

6 ASSEMBLYWOMAN FAHY: Thank you,
7 Mr. Chairman.

8 CHAIRMAN DeFRANCISCO: The last

9 questioner is Senator Hamilton.

10 SENATOR HAMILTON: Hello,
11 Commissioner. How are you doing today?

12 ACTING COMMISSIONER MUSOLINO: I'm
13 doing well, thank you.

14 SENATOR HAMILTON: I might have missed
15 some of what you said earlier. But what drew
16 my attention was how the Department of Labor
17 had come up with the minimum wage, especially
18 in New York City, where the average
19 two-bedroom apartment now is between \$1200
20 and \$1500.

21 Based on the minimum wage that you
22 have, you can just pay rent. We're not
23 talking about food, MetroCard, clothing or
24 medical expenses. So I'm just curious, how

♀ 308

1 would someone survive in my district on
2 minimum wage with two children, a
3 single-parent household? So how do you
4 develop a minimum wage that's supposedly a
5 living minimum wage, but no one in my
6 district can live off of that living wage
7 that you proposed for the next fiscal year
8 coming up. So I'm just trying to explain,
9 how do you come to that determination of the
10 minimum wage? And how does someone pay rent
11 at \$1,200 a month plus clothing, food, and
12 healthcare?

13 ACTING COMMISSIONER MUSOLINO: There
14 is no question, Senator, that there is great

15 controversy over what the exact number for
16 minimum wage should be. There are a number
17 of people who think that the Governor's
18 proposal is too high. I'm sure you've heard
19 from them already, whether it's the business
20 community or elsewhere, who believes that
21 it's burdensome.

22 The proposal that the Governor has put
23 forward for \$10.50 an hour in the state and
24 \$11.50 for New York City attempts to balance

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309

1 the different interests that are out there.

2 I would point out, and I think it's
3 worth noting, on the federal level
4 President Obama has recommended \$10.10 as the
5 minimum wage. And one of the reasons that he
6 got to \$10.10, I believe, for his proposal on
7 minimum wage -- this is higher -- is that if
8 you go back in history, the purchasing power
9 for minimum wage was actually at its highest
10 in 1968. And I can't remember what the
11 number was. But if you adjust that for
12 inflation, you get to \$10 an hour.

13 The Governor's proposal goes beyond
14 that in New York City and gets to \$11.50 an
15 hour.

16 SENATOR HAMILTON: So, Commissioner,
17 why doesn't the Governor want New York City
18 to be able to authorize their own minimum
19 wage? How does that affect the Governor and
20 the state when you've already admitted that

21 you can't live off \$11.50 an hour in New York
22 City, in Brooklyn?

23 ACTING COMMISSIONER MUSOLINO: I
24 believe -- and I certainly hesitate to put

♀ 310

1 words in the Governor's mouth, but I'll try
2 to repeat what I have heard. The Governor
3 believes that that is really the purview of
4 the State Legislature to make determinations
5 about the minimum wage.

6 He believes it's appropriate to
7 consider that difference, to recognize the
8 difference in the cost of living, and is
9 concerned and has expressed concern about a
10 multiplicity of minimum wages across the
11 state. So New York City might choose to do
12 one, and then Westchester might do another.
13 And then I live across the river here in
14 Rensselaer County, and maybe it would get the
15 county to do one and the City of Troy to do
16 another.

17 So the Governor's belief is that there
18 ought to be a state-established scheme that
19 takes into account the differing economies in
20 the different regions of the state.

21 SENATOR HAMILTON: Thank you,
22 Commissioner.

23 And the last issue area that I want to
24 talk about is the Urban Youth Jobs tax

♀ 311

1 credit. And how do you define an at-risk

2 youth?

3 ACTING COMMISSIONER MUSOLINO: We have
4 used the definition of -- we've tried, as I
5 said earlier in my comments, we've tried to
6 be as broad as possible in our definition of
7 an at-risk youth. So we've said that we will
8 consider any youth that has a barrier, any
9 barrier to employment to be an at-risk youth.

10 So it might be a young person who is
11 below grade level. It might be somebody who
12 has been involved in the criminal justice
13 system or the juvenile justice system. A
14 teen parent. Virtually anything you could
15 think of that would be a barrier to
16 employment we would use as a definition of
17 at-risk youth.

18 SENATOR HAMILTON: And the age range
19 for the at-risk youth?

20 ACTING COMMISSIONER MUSOLINO: Sixteen
21 to 24.

22 SENATOR HAMILTON: And what are the
23 targeted areas that you've identified so far,
24 the targeted areas for the tax credit?

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1 ACTING COMMISSIONER MUSOLINO: The New
2 York Youth Works Program started with 13
3 localities in the state. It was the 11
4 largest cities and the two largest towns in
5 the state. So White Plains and larger, I
6 believe, for the population -- so White
7 Plains, New Rochelle, Yonkers, Albany, Utica,

8 Syracuse, Rochester, Buffalo, New York
9 City -- I think that got to 11 -- Hempstead
10 and Brookhaven were the original. They are
11 the full target areas in the state.

12 And then for the enhanced credit, the
13 additional \$10 million that the Governor is
14 proposing this year, it is the five -- of
15 those 13, it is the five areas that have the
16 highest combination of unemployment and
17 poverty rate. And that would be Utica,
18 Syracuse, Rochester, Buffalo, and New York
19 City.

20 SENATOR HAMILTON: So you did mention
21 New York City; right?

22 ACTING COMMISSIONER MUSOLINO: Yes.

23 SENATOR HAMILTON: Now, as you know,
24 we have Manhattan, which you have

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1 multimillionaires, and then we have
2 Brownsville, which you have a lot of people
3 on public assistance.

4 How do you break down the at-risk in
5 income level? You know, how do you
6 extrapolate Brooklyn into that model?

7 ACTING COMMISSIONER MUSOLINO: We
8 don't. We don't have data to do that. The
9 unemployment rates are calculated for
10 New York City, and the poverty rates are
11 calculated for the city. So what we've done
12 is the entire city, at-risk youth in the
13 entire city are eligible for the program.

14 SENATOR HAMILTON: Well, the highest
15 concentration of murder, you know, homeless
16 shelters, people reading below grade level
17 are in like Brownsville, East New York or
18 Brooklyn. So you can't compare the Upper
19 West Side income level with Brownsville. And
20 if you look at the density of the population,
21 I would say it's higher than most of the
22 localities in the state.

23 So to me, it's a disservice to the
24 poorer residents in Brooklyn that their

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1 income is being merged in with more affluent
2 residents in the state, if not the country.

3 ACTING COMMISSIONER MUSOLINO: Well,
4 as I said, I think earlier, we view this as a
5 tool in the toolbox. There are other
6 initiatives that we undertake -- for example,
7 the unemployment Strikeforce that I talked
8 about earlier that began in the Bronx and
9 that we are expanding to the rest of the
10 state. The next borough in the city we are
11 expanding it to is Brooklyn, because of some
12 of the issues that you've raised.

13 So I wouldn't look at any of these in
14 isolation. They are all programs that we try
15 to implement, try to target on those in need.
16 And so far the results have been, I think,
17 positive.

18 SENATOR HAMILTON: Thank you,
19 Commissioner.

20 ACTING COMMISSIONER MUSOLINO: Thank
21 you.

22 CHAIRMAN DeFRANCISCO: Thank you very
23 much. Your questions were answered great,
24 and you did a great presentation.

♀ 315

1 Something's been happening over the
2 last -- you may leave. I'm just making a
3 point.

4 ACTING COMMISSIONER MUSOLINO: Not
5 that I'm in a hurry, but --

6 (Laughter.)

7 CHAIRMAN DeFRANCISCO: Something has
8 been happening these last few days, namely,
9 people coming in and out and in and out and
10 then asking the same questions that you've
11 probably heard three or four times.

12 And I'm not picking on anybody in
13 particular, because it's been happening in
14 the last few days. We've all been talking up
15 here, the head table, and I think we're going
16 to impose a rule that if you come in late and
17 the question has been already asked that you
18 want to ask, we're just going to explain that
19 to you and cut you off. Because we've been
20 here since 9:30 in the morning. And look at
21 all the witnesses out there that are -- all
22 right, so this is for you, the people of the
23 State of New York who have been waiting.
24 Okay? Thank you.

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1 All right. The next speaker is
2 Corinda Crossdale, director of the New York
3 State Office for the Aging.

4 DIRECTOR CROSSDALE: Good morning,
5 Chairman DeFrancisco, Chairman Farrell,
6 Chairwoman Serino, and distinguished members
7 of the Senate Finance and Assembly Ways and
8 Means Committee. My name is Corinda
9 Crossdale, and I am the director of the
10 New York State Office for the Aging.

11 Senator Serino, congratulations on
12 being elected and named chair of the Senate
13 Standing Committee on Aging. I look forward
14 to working with you.

15 SENATOR SERINO: Thank you.

16 DIRECTOR CROSSDALE: The New York
17 State Office for the Aging promotes and
18 administers programs and services for
19 New Yorkers who are 60 years of age and older
20 as well as the families, friends and
21 neighbors who provide vital supports to help
22 them remain as independent as possible, for
23 as long as possible, in their homes and
24 communities of choice.

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1 In carrying out the agency's mission,
2 NYSOFA provides leadership and direction to
3 an integrated network of 59 county-based Area
4 Agencies on Aging and more than 1,200 public
5 and private organizations which serve and

6 help empower older adults and their families.
7 Further, Governor Cuomo's priority to better
8 coordinate state agencies in an effort to
9 reduce duplication, strengthen service
10 delivery, increase efficiency and improve
11 outcomes has created strong working
12 partnerships among many agencies.

13 Governor Cuomo's 2015 State of
14 Opportunity Executive Budget builds on the
15 historic reforms enacted over the past four
16 years to continue creating a new New York.
17 The Governor's Executive Budget is positive
18 for older New Yorkers and their families,
19 addressing new and emerging areas where
20 private and public partnerships are
21 leveraging resources that speak to primary
22 areas of concern.

23 The Executive Budget continues its
24 commitment to core aging programs and

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1 services, assuring that those who are served
2 throughout the state have access to
3 cost-effective, high-quality services that
4 support independence. As such, the Executive
5 Budget preserves funding for key programs
6 including the Expanded In-home Services for
7 the Elderly Program, which provides
8 non-medical in-home services, case
9 management, respite and ancillary services to
10 frail older adults.

11 The Wellness in Nutrition program

12 funds home-delivered and congregate meals and
13 provides nutrition counseling and education
14 to frail older adults who may be unable to
15 prepare meals for themselves.

16 The Executive Budget includes a
17 \$5 million increase from the 2014-2015 final
18 budget for the Community Services for the
19 Elderly program, which provides flexible
20 funds to counties to meet locally determined
21 needs.

22 The Executive Budget also makes a
23 strategic investment in New York Connects.
24 New York Connects is a statewide, locally

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1 based no-wrong-door system that provides
2 one-stop access to free, objective and
3 comprehensive information and assistance on
4 accessing long-term services and supports.
5 The budget provides \$8.2 million in 2015-2016
6 to maintain ongoing operational support to
7 the New York Connects program and the "No
8 Wrong Door" initiative beyond the September
9 2015 federal Balancing Incentive Program
10 funding expiration date.

11 The Executive Budget also directs
12 NYSOFA to work with other state agencies and
13 stakeholders to explore the opportunities in
14 creating an Office for Community Living. The
15 goal of exploring these opportunities is to
16 improve service delivery and outcomes for
17 older adults and individuals of all ages with

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disabilities and further strengthen the state's Olmstead Plan.

The \$242 million of funding provided to NYSOFA from the federal Administration for Community Living and from New York State leverages over \$200 million from the counties, local municipalities, and voluntary

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contributions. The aging services network provided the following services in communities statewide: New York Connects: Choices for Long Term Care; caregiver support services, such as support groups, training and respite; care management, personal care Levels I and II and ancillary services, such as personal emergency response system; social adult day services; transportation to medical appointments, community services and activities; home-delivered and congregate meals, nutrition counseling and education, just to name a few. I won't read the entire list, but many more services are included in the written testimony.

Additionally, NYSOFA has built strong partnerships with other state agencies to increase access to services and meet needs that cross systems. There are three that I specifically want to touch upon this afternoon.

Our partnership with DOH, OPWDD, and OMH on "No Wrong Door." Meeting weekly for

24 more than a year, we are working together to

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1 build on the current New York Connects
2 program to provide a seamless system where
3 individuals of all ages and disabilities have
4 access to consistent information and
5 assistance to meet all of their
6 long-term-care needs.

7 NYSOFA has partnered with OCFS, nine
8 county offices for the aging, local
9 governments and other providers to implement
10 a unique intervention that prevents and
11 addresses financial exploitation and elder
12 abuse.

13 And lastly, NYSOFA has also partnered
14 with the New York State Office of Court
15 Administration, OPWDD and the New York State
16 Bar Association to ensure that older
17 New Yorkers, people of all ages with
18 disabilities and their caregivers, have
19 practical and effective access to affordable
20 legal assistance.

21 NYSOFA continues to be proactive in
22 working to improve service delivery and
23 advocacy for older adults by increasing
24 partnerships and integrating our work with

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1 other agencies and entities. I want to thank
2 the Legislature for your commitment to aging
3 services and for your partnership. We look
4 forward to continuing to create systems that

5 are seamless for the consumer and their
6 families.

7 I thank you for the opportunity to
8 share my comments, and I am happy to answer
9 any questions.

10 SENATOR KRUEGER: Thank you very much.
11 The first questioner, Senator Sue
12 Serino.

13 SENATOR SERINO: Thank you, Senator
14 Krueger.

15 And good afternoon, Corinda. It's so
16 nice to meet you.

17 And as you know, I was recently
18 appointed and honored to be named the chair
19 of the Senate Aging Committee. It's
20 something very near and dear to my heart -- I
21 love my seniors -- and it's a role that I do
22 take very seriously.

23 So I'm particularly interested in
24 hearing everything you had to say today, and

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1 I can't thank you enough for taking the time
2 to participate in this critical process.

3 I also think our goals are very
4 similar. We're both here to make sure that
5 New York seniors have a voice in this budget
6 and to make sure that they get the resources
7 that they need to continue to live their
8 lives out here in New York. As you know,
9 that's very important. We want to keep our
10 seniors here.

11 So I just have a question with regard
12 to the creation of the Office for Community
13 Living. Is there going to be any kind of a
14 forum for public input? Was anything
15 mentioned about that?

16 DIRECTOR CROSSDALE: Oh, absolutely.
17 The language in the budget just provides the
18 framework to give us the opportunity to look
19 at synergies of what's happening at the
20 federal level, and some of the activities are
21 happening here at the state level.

22 So in 2012, the Administration on
23 Aging was folded into a new office called
24 Administration on Community Living, which

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1 pulled together aging and disabilities. The
2 work that we're doing through the No Wrong
3 Door is similar in that structure.

4 So what we wanted to do was engage
5 stakeholders, including advocates,
6 constituents, the Legislature, to talk about
7 what's going on at the federal level, what's
8 going on at the state level, and are there
9 opportunities here at the state level to
10 build this Office of Community Living, and
11 then what would the recommendations be on how
12 that would look.

13 SENATOR SERINO: And also last year
14 the Legislature increased the funding for the
15 Community Services for the Elderly program by
16 \$5 million. So I was wondering, can you

17 provide an update on how the increased
18 funding impacted waiting lists for aging
19 services at the local level?

20 DIRECTOR CROSSDALE: We are tracking
21 the usage of that money and the impact that
22 it's having, but we won't have a full picture
23 until the close of the state fiscal year. So
24 shortly after March we'll have numbers for

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1 you on that.

2 SENATOR SERINO: Okay. Thank you.

3 SENATOR KRUEGER: Thank you.

4 Assembly?

5 CHAIRMAN FARRELL: Assemblyman Wepri n.

6 ASSEMBLYMAN WEPRI N: Thank you,

7 Mr. Chairman.

8 Welcome, Director. It's a pleasure to
9 have you here.

10 I chair a task force in the Assembly
11 on people with disabilities, and there's a
12 lot of overlap with the senior population
13 because a lot of the issues affecting seniors
14 also affect people with disabilities. Have
15 you earmarked any money in this budget or in
16 general for dealing with seniors that
17 particularly have disabilities and dealing
18 with them?

19 DIRECTOR CROSSDALE: Through the No
20 Wrong Door initiative, that pulls in the
21 disabilities community. So that system will
22 serve all individuals regardless of

23 disabilities.

24 Under the Balancing Incentive Program,

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1 we will be RFPing \$5 million specifically to
2 work with our ILCs, which represent our
3 disabilities community here in New York
4 State. And the ongoing funding that I
5 mentioned, the sustainability dollars, the
6 \$8.2 million in this year's budget, and the
7 additional money in next year's budget, will
8 include disabilities as well.

9 ASSEMBLYMAN WEPRI N: Thank you.

10 And in my first year here in the
11 Assembly in 2010, there was a major battle,
12 discussion, on senior center cuts. Which
13 there were major cuts in 2010; we did restore
14 them.

15 Has the funding for senior centers
16 remained stable? I assume there's no cuts in
17 this budget or else we would have referenced
18 it. What is the budget specifically for
19 senior centers, and how has that stayed -- I
20 know there was a big proposed cut in 2010 and
21 then it kind of leveled off. Do you have
22 those numbers?

23 DIRECTOR CROSSDALE: The senior center
24 funding is very unique, depending on the Area

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1 Agency on Aging. Primary funding for the
2 seniors are what we call Title 3(c)(1), which

3 provides our congregate meal program dollars.
4 AAAs can also use 3(b) funds and CSE funds,
5 the funding that was added to the budget last
6 year and left in this year.

7 The particular cuts that you're
8 referring to were actually Title 20 funds in
9 the New York City area. That's very unique
10 to New York City. You don't find AAAs across
11 the State of New York using Title 20 funds to
12 fund the nutrition programs.

13 ASSEMBLYMAN WEPRIN: But there was a
14 state portion of that Title 20 funds that was
15 state money; right?

16 DIRECTOR CROSSDALE: Yes. The vast
17 majority of the funding for congregate meal
18 programs throughout the State of New York
19 actually come from Older American Act
20 dollars, which is Title 3. Title 20 funds
21 are typically -- you would typically find
22 that in an OCFS budget. You wouldn't
23 typically find that in an Aging budget. That
24 was very unique to New York City.

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1 ASSEMBLYMAN WEPRIN: Okay. Thank you.

2 CHAIRMAN FARRELL: Thank you.

3 SENATOR KRUEGER: Thank you.

4 Senator Jesse Hamilton.

5 SENATOR HAMILTON: Thank you.

6 I have a question. I'm looking at
7 the -- trying to get a definition of what
8 legal services covers for seniors in your

9 program, Office for the Aging?

10 DIRECTOR CROSSDALE: I don't have the
11 numbers in front of me with regard to the
12 types of services that were provided under
13 our legal assistance program. I can get that
14 for you. But seniors can visit their Area
15 Agency on Aging with just about any legal
16 issue. If it's something that's not provided
17 directly by the Area Agency on Aging, we
18 would refer.

19 SENATOR HAMILTON: Because right now
20 there's a lot of landlords who are harassing
21 seniors who have been living in rent-
22 stabilized apartments for a long period of
23 time, and also mortgage brokers who are
24 giving loans at excessive interest rates to

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1 seniors, so you can understand the dynamic.

2 But for the rent-stabilized tenants, I
3 just need to get some feedback on where we
4 can send our constituents to to combat
5 landlords who are getting mortgages in a debt
6 ratio they can't sustain and they look at
7 buildings that have a high ratio of long-term
8 renters over 30, 40 years who are seniors
9 that they try to abuse to get them out of the
10 building.

11 Second, dementia. As we're living
12 longer now, dementia is becoming a fact of
13 life for many people. And I see a
14 correlation in my office, seniors coming in

15 with dementia and elder abuse. There's a
16 misconception that elder abuse is from
17 someone living outside the home, and it's
18 usually a family member who's doing it.

19 And as we see the market values of
20 homes increase, we see more abuse as far as
21 family members selling the homes of their
22 relatives.

23 Is there a component for educating
24 seniors that the power of attorney may not be

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1 the best way to go? As far as guardianship,
2 there are more safeguards involved in getting
3 a guardianship through the court, where there
4 has to be an accounting done every year,
5 versus a power of attorney, where there's
6 really no accounting done, no oversight over
7 that person with power of attorney.

8 So is there a department or agency
9 within that we can go to for that type of
10 guardianship information and advice to family
11 members?

12 DIRECTOR CROSSDALE: We typically do
13 not do -- what you're probably referring to
14 is an Article 81 guardianship, which is
15 usually initiated through the Adult
16 Protective Services area. In order to obtain
17 an Article 81 guardianship, the individual
18 would need to lack capacity.

19 SENATOR HAMILTON: Right. Right.
20 because it does come into play when they need

21 someone to protect a senior's rights. A lot
22 of times when seniors are given information
23 about the effects of guardianship and power
24 of attorney, they can designate someone prior

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1 to them getting dementia to fill that role.
2 So I'm trying to find out --

3 DIRECTOR CROSSDALE: Yeah, our office
4 does a lot of work with regard to elder
5 abuse, including financial exploitation.
6 Lifespan actually has the statewide contract
7 for elder abuse, so we can make a referral
8 via our Area Agency on Aging for assistance
9 with specific issues with regard to elder
10 abuse.

11 We're also working under a federal
12 grant to work with enhanced multidisciplinary
13 teams, and they're using forensic
14 accountants. And the goal of these EMDTs is
15 to stop the bleeding. So it's not just
16 enough to identify that financial
17 exploitation is going on, but how do we cut
18 it off. So we're working with those
19 multidisciplinary teams on that issue.

20 Guardianship may come up.
21 Relinquishing or getting rid of a power of
22 attorney may come up. Whatever it takes to
23 stop that flow of money going from the senior
24 to the abuser.

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1 SENATOR HAMILTON: But the forensic
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2 accountant, that's a great point, because
3 now -- you know, we watch commercials on TV,
4 certain commercials like Cialis and stuff --
5 we have a lot of older men who are being
6 defrauded by home care attendants, believe it
7 or not.

8 And so are there any safeguards for
9 seniors who have home care attendants who are
10 there in the house who understand the person
11 has assets and a lot of them are dating these
12 older men and taking advantage of them? Are
13 there any safeguards in that respect?

14 DIRECTOR CROSSDALE: Through our
15 program, the Expanded In-home Services for
16 the Elderly Program, we do have personal care
17 aide Levels 1 and 2, and that program has a
18 case management component. So the case
19 manager tracks what's going on in with that
20 senior with regard to the aide services and
21 any other services that are put in place for
22 the older adult.

23 SENATOR HAMILTON: Thank you very
24 much.

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1 SENATOR KRUEGER: Assembly?

2 CHAIRMAN FARRELL: Nothing.

3 SENATOR KRUEGER: Well, then thank you
4 very much. Appreciate your waiting all those
5 hours. We're done with you today. Thank
6 you.

7 Next up, the New York Public Welfare

8 Association, Sheila Harrigan, to be followed,
9 for those who are tracking where they are, by
10 the New York State Children's Alliance and
11 then the Council of Family and Child Caring
12 Agencies.

13 MS. HARRIGAN: Thank you. I'm happy
14 to be here on behalf of all the local
15 departments of social services. We have
16 comments on four of the provisions in the
17 Executive Budget.

18 The first one is funding for housing
19 initiatives, which we do support. We are
20 concerned that much more needs to be done on
21 homelessness issues. And I know that the
22 Legislature has been very attentive to those
23 needs as well.

24 We have a list of six recommendations

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1 for actions that we believe the Legislature
2 could take to help us address homelessness,
3 and I'll just highlight them extremely
4 briefly right now.

5 To us, homelessness is very much tied
6 to the Safety Net Assistance program. We're
7 looking for a state partnership in equally
8 funding that program as was done in the past.

9 We're seeking a look at the federal
10 rules to see if we can apply more of these
11 costs to TANF. We believe we can.

12 We support the Medicaid initiatives in
13 supportive housing that in the work of the

14 Social Determinants of Health workgroup will
15 address housing.

16 We're seeking strategies to help
17 people end up in permanent housing without
18 long stays on public assistance as a result
19 of those policy changes. This is very
20 challenging, and we're very committed to
21 working with the Legislature on that.

22 We need flexible funding for housing
23 the homeless.

24 And we need a housing-first model and

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1 a "no eject, no reject" policy for
2 organizations so that they will house people
3 who are difficult to find housing for.

4 Moving on to child welfare, we support
5 100 percent state funding for raising the age
6 of juvenile jurisdiction to 18. However,
7 there have been programs with 100 percent
8 state funding in the past where we have
9 gradually lost funding. This includes safety
10 net assistance, it includes foster care, it
11 includes many administrative funding streams.

12 So we would ask the Legislature to put
13 in statute the language we need. This would
14 include removing the fiscal cap from foster
15 care and from detention services and other
16 language.

17 We support the cap that the Governor
18 is introducing on the youth facility
19 charge-back rates. Again, we would like to

20 see language in statute that would indicate
21 that the Legislature and the Governor will
22 not come back for those funds in future
23 years.

24 We strongly support child welfare

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1 funding, including open-ended preventive and
2 protective services funding and a return to
3 the 65/35 formula. This has become
4 increasingly important with the Raise the Age
5 initiative, because this really starts in the
6 child welfare system at a young age.

7 We also note that the Governor has
8 proposed a 2 percent COLA for foster care.
9 We were surprised to see this proposed as a
10 shared local district expense. Our county
11 budgets have already been enacted with no
12 indication that there would be a new burden
13 on them for this cost, so we would suggest
14 that the state take on that increase.

15 We also have some comments on Medicaid
16 which are in the written testimony. I won't
17 raise them here, because that's out of the
18 Department of Health, other than to say we
19 support continued efforts to lower our local
20 Medicaid expenses, and we appreciate the
21 continued funding of Medicaid administration
22 while we retain those responsibilities.

23 Thank you.

24 SENATOR KRUEGER: Thank you.

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1 I apologize, I do have a question. So
2 your point about supporting the Raise the Age
3 model but being concerned about state funds
4 starting someplace and then drifting away, so
5 to speak. So as I was reading the proposal
6 and we were going back and forth earlier
7 today, there's an expectation, at least in
8 the current model, that they cap a locality's
9 costs and it will actually save the counties
10 and some municipalities money. But then
11 they're going to potentially require you
12 to -- not you, your clients, to use that
13 money in other ways.

14 Do you have an understanding of what
15 that proposal actually does?

16 MS. HARRIGAN: Our understanding is
17 that the expectation is that many of these
18 issues that are currently dealt with in the
19 criminal justice system will be embraced in
20 the child welfare system. And we're looking
21 for the funds to carry over into that system.

22 We have a lot of questions in that
23 regard. We accept the Governor's commitment
24 to pay for those costs, but our budget is one

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1 year at a time and those costs have not been
2 detailed in the documents. We see the
3 initial cost as being at a younger age to
4 prevent children from ever ending up in that
5 system.

6 But there's a lot of services that
7 will be involved in supporting youth 16 to
8 18. It's not going to be inexpensive. And
9 we will be looking for that commitment in
10 whatever statute is necessary as we go on to
11 make sure that it's there. We believe in the
12 intent, but that's not the same as the
13 legislative commitment in statute.

14 SENATOR KRUEGER: And unless I missed
15 it, I don't think you testified around
16 childcare issues in the counties, but I have
17 someone else's testimony, who I don't think
18 will be able to testify until much later in
19 the day, talking about the counties
20 continuing to decrease the eligibility for
21 childcare slots because they don't find
22 themselves with adequate funding to meet the
23 needs. I'm just trying to find the one
24 section where --

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1 MS. HARRIGAN: Yes, the childcare
2 funding is flat in this Executive Budget. So
3 when the funding is flat, there's no increase
4 to childcare unless a county is able to make
5 changes to eligibility or parental fees or
6 some other area to include more families.
7 But the pie is exactly the same size.

8 SENATOR KRUEGER: So I found my
9 numbers. So the stated goal is to be able to
10 provide childcare to families with income
11 below 200 percent of poverty. And yet we're

12 seeing that Greene County cuts eligibility to
13 100 percent of poverty, Niagara County to
14 120 percent of poverty, Dutchess, Ontario,
15 Orange, Rensselaer at 125 percent. And
16 you've seen a variety of counties actually
17 lowering the poverty eligibility.

18 Does your organization hear from the
19 counties the real impact of not being able to
20 provide childcare to low-income families?

21 MS. HARRIGAN: Yes. As you know, the
22 mandate is to provide childcare to people
23 eligible for public assistance or
24 transitioning off public assistance. So if

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1 there was funding available, counties would
2 be able to provide more childcare. Right now
3 there's federal, state as well as local
4 dollars funding childcare, but it's not
5 enough statewide to provide everyone
6 200 percent of poverty level or below with
7 childcare.

8 SENATOR KRUEGER: And do you know of
9 anybody who's tracking wait lists or numbers
10 of children not able to be served because of
11 our funding limitations?

12 MS. HARRIGAN: There are wait lists,
13 yes.

14 SENATOR KRUEGER: Does your
15 organization keep track of them?

16 MS. HARRIGAN: We don't have a
17 statewide wait list, no.

18 SENATOR KRUEGER: I think the
19 Legislature would be interested in learning
20 more about the different problems counties
21 are seeing, because it seems to me it's a
22 lose/lose.

23 If we're not helping the counties
24 provide the adequate resources to ensure

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1 childcare, and then families lose their jobs,
2 people can't go to work because they can't be
3 assured of quality care for their children,
4 that impacts all kinds of things within the
5 county's social service structure and tax
6 structure as well. So I think more
7 information to us would be helpful going
8 forward.

9 So thank you.

10 MS. HARRIGAN: Thank you.

11 SENATOR KRUEGER: Assembly?

12 CHAIRMAN FARRELL: Yes. Assemblywoman
13 Lupardo.

14 ASSEMBLYWOMAN LUPARDO: Thanks for
15 raising the point about 50 percent of the
16 cost of the foster care COLA being placed on
17 local districts. So this basically amounts
18 to an \$8 million unfunded mandate. In the
19 era of the property tax cap, there's really
20 not a lot of room to play with for our
21 budgets.

22 I asked the acting commissioner this
23 question earlier, and he wasn't in a position

24 to answer me. Do you have any idea how that

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1 \$8 million would be spread out across the
2 municipalities? Is there a formula that they
3 use to determine that?

4 MS. HARRIGAN: There would be a
5 formula to determine that. We don't have
6 that information.

7 We have asked OCFS ourselves a great
8 deal of questions over the past three months
9 about the 2 percent that was already in
10 statute, just in terms of how to get that out
11 to the providers. That was funding that was
12 state-funded up until this April. There was
13 a 2 percent increase for some categories the
14 counties implemented, and they were still
15 receiving clarity about how to implement that
16 very recently. So we don't have any details
17 on the next 2 percent that's proposed.

18 ASSEMBLYWOMAN LUPARDO: Are there any
19 other unfunded items that we need to be aware
20 of, or is that the biggest concern you have
21 at the moment?

22 MS. HARRIGAN: I think it's the
23 intersection between what we need in the
24 child welfare system given the opiate

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1 epidemic, given mental illness among
2 struggling parents and children, the Raise
3 the Age initiative that calls on us to
4 provide more help early, you know, before it

5 ever gets to be a question of them entering
6 any system and committing any crime, and then
7 intersecting with the whole foster care
8 system, the critical importance of returning
9 people to their families as soon as we can
10 whenever that's possible.

11 So it's a complex issue, the issue of
12 childcare funding, homelessness -- they're
13 all the same families, often, that we're
14 dealing with and trying to support.

15 ASSEMBLYWOMAN LUPARDO: Thank you.

16 SENATOR KRUEGER: Assembly?

17 CHAIRMAN FARRELL: No, that's it.

18 CHAIRMAN DeFRANCISCO: Thank you very
19 much.

20 MS. HARRIGAN: Thank you.

21 CHAIRMAN DeFRANCISCO: Next is James
22 Purcell, CEO of the Council of Family and
23 Child Caring Agencies.

24 On deck is Renee Smith.

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1 MR. PURCELL: Good afternoon. In the
2 interest of your time and everybody still
3 sitting behind me, I'll try to keep this very
4 short.

5 The Council of Family and Child Caring
6 Agencies consists of over 100 nonprofit
7 agencies all across the state who employ over
8 50,000 individuals, not just in child welfare
9 programs, but in all the programs which they
10 operate, who are dependent in large measure

11 on decisions made at the state level about
12 programs to be funded and salaries and
13 benefits that we can offer our staff.

14 We held some forums across most of the
15 state this fall and talked about our
16 initiative this year called COFCCA Cares 4
17 Kids, and I want to talk with you just a
18 little bit about the key piece of that. And
19 then I will summarize, without any further
20 explanation, some of our other interests
21 here.

22 The bottom line is that our agencies
23 have been providing services to some of the
24 most vulnerable children and families in the

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1 state for centuries -- over two centuries, in
2 some -- one and a half centuries, at least --
3 but for the last six or seven years with no
4 funding increases. And it's simply gotten to
5 the point where the cupboards are bare.
6 We've done an intensive financial analysis of
7 our operating agencies; more than half of
8 them ran deficits in 2012. Only a very small
9 number of them have any sort of endowment
10 that they can fall back on at all.

11 The fact remains that over the last
12 six years, six or seven years, these agencies
13 have spent over \$300 million on mandated
14 government services for which they're not
15 paid. They do it because that's what the
16 kids and families need. And in fact, I came

17 here over the last several years and did not
18 ask for increases in foster care funding,
19 because we knew the state's cupboard was bare
20 too.

21 But now we see that beginning to
22 change. Nobody thinks the financial crisis
23 is perfectly resolved, but certainly the
24 government has begun operating and providing

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1 some increases in a number of areas over the
2 last few years -- but none in the foster care
3 area for these kids.

4 We greatly appreciate the leadership
5 of the Legislature last year in providing the
6 2 percent COLA that you were just discussing.
7 Starting January 1st, it went to our
8 front-line staff, childcare staff, who work
9 around-the-clock shifts in the residential
10 facilities, as well as the caseworkers who
11 provide services to the families and to the
12 kids in foster-family care.

13 It also provided a 2 percent increase
14 in foster-parent rates. Foster parents are
15 volunteers. They don't need to be doing
16 this. Almost all of them will tell you that
17 they're spending money out of their own
18 pockets to take care of the kids that we
19 place with them, often with some very
20 challenging behaviors. So we are greatly
21 appreciative of this first recognition that
22 these folks need some increases.

23 And we're very pleased to see that the
24 additional 2 percent that was worked into

♀ 347

1 last year's budget discussions by the
2 Legislature and the Governor is due to be
3 paid on April 1st.

4 Doing these partial funding increases,
5 where some staff get a raise and other staff
6 don't -- if I'm a worker in an OPWDD
7 residence, I might get a raise; if I'm in a
8 foster care program working for the same
9 agency, I might not get a raise. There's no
10 additional funds provided for the fact that
11 heating costs have gone up and food costs
12 have gone up.

13 So we've got to get back to the point
14 where it's not a dirty word to say that as
15 costs increase and agencies are already
16 barely at a subsistence level, that we have
17 to pay for what we want them to provide for
18 these kids.

19 I would agree with Sheila Harrigan and
20 with Chairwoman Lupardo's suggestion. We
21 were surprised to see, in the Governor's
22 budget, the expectation of a local share for
23 this COLA. I do not believe there's any
24 local share for the same staff in Mental

♀ 348

1 Health or OPWDD programs or OASAS programs,
2 but there is some expectation that the

3 counties will bear part of this cost, which
4 was not anticipated, I think, by any of us.

5 I hope the decision doesn't turn out
6 to be then we can't do it, because that will
7 just make our situation much, much worse.
8 Our staff get paid so little as it is -- we
9 did a salary survey last year and found that
10 in some cases the average salaries for
11 workers across the state were a couple of
12 hundred dollars higher than the starting
13 salaries. Which is not so surprising when
14 you think about the fact that we haven't had
15 any rate increases, and the fact that our
16 turnover rate of staff is over 30 percent a
17 year.

18 And I just want to point to that
19 turnover rate and ask you to think about the
20 effect that has on the kids and the families
21 that those staff are working with. For the
22 kids, particularly in residential care, it
23 means another adult in their life is letting
24 them down. They're leaving. They're usually

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1 leaving because they've got to go get a job
2 where they can support their own families.

3 In one of our regional meetings with
4 some of your colleagues out in Rochester last
5 fall, one of our agencies said that their
6 newest biggest competitor for hiring
7 childcare staff to work with a group of kids
8 who have committed some sexual offenses, who

9 are developmentally disabled and who have
10 other sorts of issues, their biggest new
11 competitor is Lowe's.

12 Think about it. If you're working for
13 Lowe's, you have better salaries, better
14 benefits, and you don't have to worry about a
15 lot of the concerns that our staff have with
16 kids whose behaviors are not what we would
17 all like them to be all the time.

18 So we ask the Governor's office and
19 the Division of Budget for a \$20 million
20 infusion, which would have been about a
21 3 percent increase. We ask that it be
22 targeted to workforce investment,
23 infrastructure, and quality assurance in
24 these foster-care programs.

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350

1 We now ask you, the Legislature, to
2 somehow find those dollars to begin to move
3 these agencies back to a point where they can
4 be self-sustaining. We think that each
5 agency would be allocated an amount of money
6 based on their size, presumably. They have
7 to submit a plan to OCFS how they might spend
8 that money. For some, it might be raising
9 the lowest-wage salaries so they recruit
10 better staff. For others, it might be
11 deferred maintenance. The agency where a kid
12 who's outraged -- maybe because his parent
13 didn't come for an expected visit -- has
14 kicked a hole in the wall; we might have just

15 I laid off the maintenance man who would have
16 fixed the hole in the wall, in order to keep
17 a childcare worker on duty over the weekend.

18 That's a big problem. It's not just
19 that the building is not so attractive, it's
20 also that that hole constantly reminds kids
21 of the traumas that they're going through.
22 So we ask you to give serious consideration
23 to providing that \$20 million.

24 I want to just run through quickly.

♀

351

1 The Governor did provide \$50 million out of
2 settlement funds for infrastructure one-time
3 spending in human service agencies. We
4 greatly appreciate that. It's not going to
5 go very far when you think about homeless
6 housing and child welfare and mental health
7 and OPWDD and OASAS. We understand there are
8 some of those settlement funds unallocated
9 and would ask that that be significantly
10 increased.

11 There was an agreement last year to
12 provide us \$15 million in this coming year in
13 the Department of Health budget to help our
14 agencies get ready for managed care. I'm
15 told that there's -- that money is in the
16 state's financial plan but there's language
17 in this year's budget that the Health
18 Department will need in order to use that to
19 help our agencies be ready.

20 We strongly support, again, the

21 funding of post-adoption services. I've been
22 in child welfare a very long time; I think it
23 is the one area in New York State that is
24 just structurally not funded, but through

♀

352

1 legislative adds for TANF preventive funding
2 over the years. At one point we had about
3 \$5.5 million funded through OCFS for these
4 post-adoption programs. That's down to about
5 a million dollars now.

6 So there's three programs in three
7 communities that do this. These are families
8 who have taken on some very challenging kids.
9 And not atypically, as these kids get older
10 and reach puberty, they have some serious
11 challenges. And these post-adoption programs
12 can be very, very helpful to the families of
13 these kids in maintaining them in their
14 adoptive home.

15 We support the Raise the Age. Like
16 you, we're still trying to figure out some of
17 the details, how it will affect our programs.
18 We expect that we'll be doing a lot of the
19 diversion work for young people who are
20 deemed not to need residential care. And as
21 was mentioned earlier today, we will provide
22 some of the residential services and will
23 need the right supports in order to do that
24 with these kids.

♀

353

1 There's a proposal put forth by a

2 group called Fostering Youth Success Alliance
3 which calls on the state to fund college
4 preparation and kids staying in college who
5 have been in foster care or who are still in
6 foster care. I think they've done a great
7 job with this proposal, and it makes the case
8 that these young people will earn a lot more
9 and pay a lot more taxes and supports in
10 society if we can help them get through
11 college.

12 And finally, we ask you to again
13 restore the funds for Safe Harbour, sexually
14 trafficked kids, that has been a legislative
15 add. There is no money in the budget for it
16 at this point. And as you take a look at
17 those TANF services, that's on that list.

18 Thank you.

19 CHAIRMAN DeFRANCISCO: Thank you very
20 much.

21 CHAIRMAN FARRELL: Thank you.

22 CHAIRMAN DeFRANCISCO: Renee Smith,
23 chairperson, New York State Children's
24 Alliance.

♀

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1 On deck, Marie Dolfi with the New York
2 State Citizens' Coalition for Children.

3 MS. SMITH-ROTONDO: Good afternoon.
4 My name is actually Renee Smith-Rotondo, but
5 the "Rotondo" got left off of the list. So I
6 just wanted to be clear about that, because
7 there is a signed written testimony in there

8 with my actual full name on there.

9 First of all, I want to thank you for
10 the opportunity to come before you this
11 afternoon. And I appreciate those of you
12 that are still left. This is a very lengthy
13 process, and it's admirable that you're all
14 still here.

15 I want to begin by thanking the
16 Legislature for its strong support of Child
17 Advocacy Centers and the work we do. Without
18 the help that you have provided in securing
19 us funding over the past several years, some
20 of our programs would have had to cut
21 essential services, and other programs, worse
22 yet, would have had to close their doors. So
23 we are very grateful for the support that the
24 Legislature gives us.

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355

1 We are here again to ask the
2 Legislature to provide us with the funds that
3 CACs need to do the difficult work of
4 responding to the worst child abuse cases
5 that we have in New York State. We're asking
6 this body to please fund us this year at the
7 2014 level of \$7.779 million.

8 I know you have the written testimony,
9 so I'm not going to simply read it, I'm going
10 to skip through. I think you all can read.

11 So I just want you to understand that
12 when the state's economy was suffering and
13 the state's fiscal climate wasn't good,

14 Child Advocacy Centers suffered too, because
15 we took a 25.6 percent cut in our program
16 revenues. And at that exact time that we
17 took that cut, we went from 16 programs in
18 New York State to 40 programs in New York
19 State that were covering 43 of our
20 62 counties. So we had more children that we
21 were seeing, but less operating revenue.

22 Last year we came before this body and
23 you generously gave us \$2.57 million that put
24 us back in good stead. And we're asking you

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1 to give us that add-on again.

2 I want you to understand, we did go to
3 the Governor's office this past fall. We did
4 ask for that legislative add-on to be put
5 into the Executive Budget. Unfortunately,
6 that didn't happen, which is why we're here.
7 We were hoping to come and just thank you,
8 but unfortunately we're here to not just
9 thank you but to ask you to once again give
10 us that additional funding.

11 I think you know from previous times
12 that we've testified here and the packets
13 we've given you that CACs are cost-effective.
14 So it's not just that they're good for
15 families and children -- they are. They do a
16 good job with the children and families, but
17 they also save about a thousand dollars a
18 case, which is significant for taxpayers in
19 New York State.

20 In your packet there is a sheet on
21 what we did with the additional funds that
22 were provided last year. And I just want to
23 explain to you, just run through that quickly
24 so you understand that the money went to

♀ 357

1 very, very good use.

2 Some programs were able to extend
3 their hours of operation to be available
4 24/7. Other programs were able to hire
5 service providers, mental health and medical
6 professionals that are trained to deal with
7 children that have been victims of abuse, and
8 interviewers who are forensically trained
9 about how to talk to children.

10 Statewide programs have used the funds
11 to enlarge their service areas so that areas
12 that were previously unserved have been
13 brought into the fold and they're reaching
14 some neighboring counties and some tribal
15 communities that were previously not --
16 didn't have access to a Child Advocacy
17 Center. And some centers have been able to
18 move to a more centralized, accessible
19 location to make it easier for children and
20 their families in crisis to get to them.

21 And there are -- the list goes on, so
22 I'm not going to go through the whole list.
23 I think you understand that what we do as a
24 Child Advocacy Center is to present a

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1 multidisciplinary team approach to child
2 abuse. And the system's response is a team
3 approach. And we want to help children
4 navigate the system, as it is not a
5 child-friendly system.

6 And the impact on children who have
7 been abused is significant. They are less
8 likely to attend school, their academic
9 performance is lower, graduation rates are
10 less, their ability to trust and sustain
11 relationships is affected, and that goes into
12 adulthood and has an effect on their ability
13 to make good decisions when it comes to
14 relationships, which goes to the
15 intergenerational aspects of child abuse.

16 And CACs really do provide children
17 with the opportunity to not only be heard but
18 to heal, based on the services that we
19 provide.

20 The one part of my testimony that I do
21 want to read is the last paragraph -- because
22 we have provided you with packets of
23 information that has the statistical
24 information. But I don't think anything

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1 underscores the value of a Child Advocacy
2 Center to a family, a child in crisis than to
3 ask yourself this. What if it was your child
4 or grandchild or someone dear to you that was
5 sexually or physically assaulted? What if

6 the authorities needed to interview him or
7 her about the experience, about the abuse,
8 and needed details?

9 Where would you want that interview to
10 take place -- a police station or a
11 child-friendly setting? Who would you want
12 handling that investigation? Wouldn't you
13 want it to be an experienced team of
14 professionals, trained to speak with children
15 about these types of abuses? And wouldn't
16 you want your child or your grandchild to be
17 seen by a therapist who's been trained in how
18 to treat children who have been exposed to
19 trauma?

20 These are all the kinds of services
21 that Children's Advocacy Centers provide, and
22 the 40 centers in New York State strive to
23 provide these services every day. Our
24 programs do make a difference in the lives of

♀

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1 thousands of children and families in
2 New York State, and we're asking you for your
3 continued support in our important work.

4 And I'm happy to take any questions if
5 anyone has any.

6 CHAIRMAN DeFRANCISCO: Renee, I
7 apologize that your whole name and the
8 Italian part was left out, because that's an
9 important part of any of this.

10 (Laughter.)

11 MS. SMITH-ROTONDO: I'm glad that's

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what you got from my testimony.
(Laughter.)
CHAIRMAN DeFRANCISCO: No, that's
number one.
Number two, or I would have recognized
you when you first walked down here. Linda
Cleary, from the McMahon/Ryan House, has been
bugging my office in the district. And I
explained to her that I'm in hearings, and
with the people in all of these hearings.
But I have already gotten this material, and
I'll make sure that I read it thoroughly --
I've skimmed it at this point in time. We'll

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do what we can.
MS. SMITH-ROTONDO: Okay. And for
those of you left, the one other thing I
would encourage you to do, I am almost
positive that every one of you have CACs in
your districts. Visit them, if you haven't
already. They are amazing places. People
put their heart and soul into making them as
child-friendly as they can. And if you
haven't been convinced that the work that we
do is essential to these very damaged kids
and their families, you will be if you go
visit.
CHAIRMAN DeFRANCISCO: Ditto. Our
facility in Syracuse is unbelievable.
MS. SMITH-ROTONDO: It's state of the
art.

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CHAIRMAN DeFRANCISCO: Senator
Hamilton.
SENATOR HAMILTON: Thank you,
Chairman.
I just want to say, Renee, that your
organization is doing a phenomenal job in
Brooklyn and throughout the state, and you're

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doing God's work for our most precious
assets, our children. And I just want to say
keep up the good work. And whatever I can do
with my Senate staff and my office on your
behalf, we're here to help you and make sure
that we can do what we can the best way that
we can do it.

MS. SMITH-ROTONDO: Thank you. Thank
you very much. Appreciate that.

SENATOR HAMILTON: Keep up the good
work. God bless you.

CHAIRMAN DeFRANCISCO: Thank you very
much.

MS. SMITH-ROTONDO: You're welcome.

CHAIRMAN DeFRANCISCO: The next
speaker is Marie Dolfi, advocacy chairperson,
New York State Citizens' Coalition for
Children.

On deck is Stephanie Gendell,
associate executive director for policy,
Citizens' Committee for Children of New York.

And for those who are kind of looking
at their clocks and wondering how many more

24 has to go, on the second page, Fight Crime:

♀

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1 Invest in Kids is canceled, and they've
2 submitted testimony. Hunger Action Network
3 of New York has been canceled. Cerebral
4 Palsy was erroneously put on this calendar;
5 that's not going to happen. So there's three
6 less, anyway, if you're waiting for your
7 turn.

8 You're on.

9 MS. DOLFI: Thank you very much for
10 this opportunity to address the hearing.

11 We just did some fundraising, so I'd
12 like to introduce my colleague, Richard Heyl
13 de Ortiz. We now have an executive director.

14 I'm a volunteer for New York State
15 Citizens' Coalition for Children, which is an
16 umbrella group for foster and adoptive family
17 support groups in New York State, and we
18 provide information, support and advocacy.

19 It is our hope that New York State
20 will fund statewide post-adoption services
21 for adoptive families and permanency services
22 for kinship/guardianship families in next
23 year's budget. While many children who join
24 their family by adoption don't need

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1 specialized services, as you can imagine,
2 those who have been traumatized by abuse,
3 neglect or other very severe life experiences
4 prior to being adopted require specialized

5 services. Wouldn't it be nice if the love of
6 a parent could take away the emotional scars
7 of abuse and neglect? But it's not enough.
8 Families need services.

9 I'm going to be frank. New York State
10 is breaking its commitment to youth in foster
11 care with a permanency goal of adoption that
12 it will do everything to find them a family,
13 a permanent family. We've spoken to the
14 Department of Budget, the Office of Children
15 and Family Services, and we know the local
16 social services districts are aware that an
17 absence of a statewide post-adoption
18 permanency program has resulted in children
19 remaining foster care because they'll lose
20 services if they're adopted, foster youth
21 aging out of foster care without a permanent
22 family, and children entering foster care
23 after adoption because their families cannot
24 safely maintain them in their homes.

♀

365

1 This is, in my opinion -- I have the
2 research from New York State on what's going
3 on, and I can back it up. New York State's
4 Longest Waiting Children report clearly
5 showed children are staying in foster care
6 because they would lose services should they
7 be adopted, not because of a lack of family.
8 We know children are entering foster care
9 after being adopted due to their family's not
10 being able to safely maintain their children

11 in the home.

12 I have statistics from the
13 Administration for Children Services that 5
14 to 6 percent of the children who are adopted
15 from New York City foster care return to
16 foster care after adoption. That number is
17 actually higher if you were to include the
18 children who are adopted internationally,
19 through domestic private adoption, or who
20 were originally adopted from New York City
21 foster care but returned to foster care after
22 adoption outside New York City.

23 We know young adults are leaving
24 foster care without families. We had 1,283

♀

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1 former New York State foster youth age out
2 just last year.

3 We know adoptive families are four to
4 seven times more likely to seek residential
5 treatment for their children than
6 non-adoptive families. OCFS's own statistics
7 backed this up when they looked at their
8 population and found 28.5 percent of the
9 children in their residential treatment
10 centers for one six-month period had joined
11 their family by adoption.

12 As you can imagine, parenting a child
13 with special needs is different. So what are
14 the services families are looking for?
15 Parent support groups, because they need peer
16 support because raising children with

17 significant mental health issues is different
18 than raising a child without mental health
19 issues.

20 They would like respite. These
21 children's behavioral and mental health
22 issues are so significant they can't be left
23 with the average babysitter or relative. A
24 trained childcare worker needs to be present

♀

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1 to help out when the parent cannot take care
2 of their child.

3 Parents need help with information and
4 referral. They need counseling by
5 specialists who know reactive attachment
6 disorder, post-traumatic stress disorder,
7 fetal alcohol spectrum disorder and other
8 foster and adoption care issues.

9 The parents need training, because
10 traditional parenting methods are not enough
11 to raise these children. They need to
12 understand the mental health conditions of
13 the children. They need case management and
14 advocacy. And we're finding there are not
15 enough trained professionals in the
16 community, so we need training for
17 professionals.

18 New York State Department of Social
19 Service regulations and standards of practice
20 for adoption services states that in the case
21 of a child who is already placed in an
22 adoptive home, post-placement services shall

23 be provided for the purpose of ensuring
24 permanence of the placement for up to three

♀ 368

1 years after adoption finalization.

2 We've talked to parents, we've done a
3 statewide survey, and we know the majority of
4 counties are not providing post-adoption
5 services. And we know they're not
6 contracting with a third party to do so. We
7 also know from research that it's not three
8 years after the adoption that kids need
9 services. When are kids the most handful?
10 The teenage years, seven years past adoption,
11 not three years.

12 In 2012 Junius Scott, who was the
13 then-regional director of the U.S. Department
14 of Health and Human Services, was concerned
15 about OCFS not providing post-adoption
16 services, so he wrote them a letter. The
17 entire letter is in the addendum to my
18 testimony, but I'll tell you some of the
19 unfortunate comments in the OCFS letter.

20 For the years cited, New York State
21 received an allocation of just under
22 \$19 million of Title IVB funding. Of that
23 \$19 million, the state only spent \$214,944
24 Title IVB, subpart 2 funds on post-adoption

♀ 369

1 services. That's 1 percent.

2 In the OCFS letter it talks about TANF

3 funding. And TANF funding has been used on
4 and off for post-adoption programs, but
5 there's never been more than 27 counties that
6 have received TANF funding. And if you want,
7 you can look at the map at the back of my
8 testimony and see if your county has ever
9 received post-adoption funds. A lot of your
10 counties have not.

11 Additionally, many families cannot
12 access services because they're not
13 TANF-eligible.

14 The OCFS letter mentions that
15 preventive funding is available to adoptive
16 families. But enrolling in preventive
17 services will be able to access the necessary
18 services like a parent support group or the
19 training they need. What preventive services
20 would do, it formalizes you saying, as a
21 parent to your child, You're at risk of
22 foster care. And that's the last thing a
23 parent wants to say to their child that they
24 adopted from foster care. So it's no help

♀

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1 telling parents "Go sign them up for
2 preventive care."

3 The letter also refers to adoption
4 subsidies and Medicaid as a resource for
5 services. But the problem with this logic is
6 subsidies and Medicaid are not a magic wand
7 to create nonexistent services in the
8 community. We need a provider to offer the

9 parent support groups, specialized counseling
10 and other services that I previously
11 mentioned.

12 OCFS will tell you: We've got Bridges
13 to Health. And Bridges to Health is a good
14 program. But if your child's already
15 adopted, you can't access that program.

16 The federal government is putting the
17 push on for the states to provide
18 post-adoption services. In fact, it enacted
19 the Preventing Sex Trafficking and
20 Strengthening Families Act in 2014, which is
21 requiring the states now to establish
22 post-adoption programs.

23 Further, in May 2014 the
24 Administration for Children and Families

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1 issued a memorandum to the states to develop
2 and promote post-adoption services to prevent
3 "rehoming." I don't know if you're familiar
4 with rehoming. We've got a problem; families
5 in need are posting on the Internet they need
6 a home for their kids. The kids are being
7 dropped off in families with no background
8 check.

9 We wrote to the Governor's office a
10 letter for post-adoption support in October,
11 saying we need post-adoption services. And
12 we got a response letter back from Louisa
13 Chafee. Her entire letter is in the
14 addendum, but I'll mention one thing. The

15 letter says if families want services, call
16 1-800-345-KIDS. I called that number, they
17 didn't even know what post-adoption services
18 were.

19 New York State Citizens' Coalition for
20 Children estimates a statewide post-adoption
21 permanency program could be provided for
22 \$10 million annually. That's a low estimate.
23 What we did is the largest TANF grant that I
24 know of was in 2012; it was just under

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1 \$5 million. So we know that an additional
2 35 counties would need coverage, non-TANF
3 families would need to be able to access
4 services, we'd need a central help line. So
5 the best guess is to double the 2012 TANF
6 grant.

7 The good news is if we had a
8 post-adoption permanency program, we believe
9 it will save the state money and the counties
10 money. Where would the cost savings come
11 from? If we could decrease the number of
12 children in foster care, it should help,
13 because the counties are paying 100 percent
14 of the cost of non-Title IVE foster care
15 children. Less kids in foster care, the less
16 money the counties are paying for the
17 non-Title IVE children.

18 There's been a lot of talk about the
19 programs needed for homelessness and
20 everything. Let me read you some statistics

21 about the young adults who are leaving foster
22 care without a family. Twelve to 30 percent
23 struggle with homelessness; 40 to 63 percent
24 did not complete high school; 25 to

♀

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1 55 percent were unemployed; 32 to 40 percent
2 were on some form of public assistance; 31 to
3 42 percent had been arrested; 18 to
4 26 percent had been incarcerated. And we
5 know, of the young women, 40 to 60 percent
6 are pregnant within 12 to 18 months of aging
7 out of foster care.

8 We also believe the state and the
9 counties would save money by a decrease in
10 use of residential treatment programs, and I
11 have some statistics in the report if you
12 want further detail on that.

13 In conclusion, what I'd like to say is
14 post-adoption permanency services are needed
15 because love does not fix trauma, nor does
16 commitment remove the emotional scars of
17 abuse and neglect. It is our hope that
18 New York State will not need its tragedies to
19 become headlines before it establishes a
20 statewide post-adoption permanency program.
21 We're asking the legislators to take a
22 compassionate lead and fund statewide
23 post-adoption programs.

24 Thank you for your consideration and

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374

1 the opportunity to address this panel.

2 CHAIRMAN DeFRANCISCO: Thank you.
3 Assemblywoman Lupardo.

4 ASSEMBLYWOMAN LUPARDO: Yeah, I just
5 wanted to thank Marie for your diligence and
6 your vigilance on this topic. It's very,
7 very important.

8 And I really appreciate you waiting
9 all day and getting us this very impressive
10 testimony and for introducing us to your new
11 colleague. This means a lot to me
12 personally, and we're very committed to
13 working our way through this.

14 MS. DOLFI: Thank you for your
15 support. You've been very helpful on a
16 number of things. Thank you.

17 CHAIRMAN DeFRANCISCO: Senator
18 Krueger.

19 SENATOR KRUEGER: Thank you very much.
20 So this rehoming issue, it's come up a
21 couple of times today. It's illegal to just
22 trade children on the Internet; is that
23 correct?

24 MS. DOLFI: I think what they're doing

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1 is they're posting on the Internet they need
2 a family. They're driving out there and
3 they're signing like guardianship papers, you
4 know, just getting something simple, turning
5 over guardianship. But there's no background
6 check.

7 So it's not like they're dropping them

8 off and not transferring custody. I'm not an
9 attorney, so I'm not sure if it's -- there is
10 a legal piece of paper, but nobody's doing
11 home studies, nobody's doing background
12 checks, nobody's checking to see if these are
13 child predators.

14 SENATOR KRUEGER: And did I understand
15 you that this is a pattern that's
16 disproportionately happening when it's a
17 family who's adopted a child, doesn't get the
18 post-adoption services you believe they need,
19 and then gives up? Or is it anybody doing
20 this?

21 MS. DOLFI: Well, I think the rehoming
22 that's hit the news the most are the
23 international adoptive families. There are a
24 lot of families who felt they were misled by

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1 the countries that the children came over
2 from, the children had very severe fetal
3 alcohol spectrum disorder -- and so they
4 never were attached to these children, they
5 never had gradual visitation like you would
6 in foster care.

7 But I don't want to say that this is a
8 problem just of international adoption, I
9 just think those are the ones that are
10 hitting the news.

11 SENATOR KRUEGER: It's not even clear
12 if it's legal, and there's no process that's
13 gone through. Are there any estimates of how

14 many children this is happening to in a year
15 in New York State?

16 MS. DOLFI: To the best of my
17 knowledge, no. We don't have any.

18 But I do know that was one of the
19 reasons that the federal government did issue
20 the Sex Trafficking Act that I did mention,
21 because it's very clear -- the families
22 probably would stick it out longer if they
23 had resources. I mean, if you have a child
24 who has developmental disabilities, you don't

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1 say "Sign them up for prevention." You know,
2 there's a program there. I mean, we have
3 programs for kids who have special needs.

4 I think, you know, the 1950s mentality
5 was love fixes everything. We know love
6 doesn't fix everything. It's just the child
7 welfare system and the funding sources have
8 not caught up to this change.

9 And the problem is, too, there's a
10 number of funding streams that can fund
11 post-adoption programs. But when we talk to
12 OCFS, they say, Well, I've already used this
13 funding stream for this program, and I can't
14 take the money from that program because that
15 program's -- so I think that's part of the
16 issue, is that while there are funding
17 streams, they're already spoken for.

18 SENATOR KRUEGER: Already maxed out.

19 Thank you very much.

20 MS. DOLFI: Thank you.
21 CHAIRMAN DeFRANCISCO: Thank you.
22 CHAIRMAN FARRELL: Thank you.
23 CHAIRMAN DeFRANCISCO: Stephanie
24 Gendell, Citizens' Committee for Children of

♀ 378

1 New York.
2 See how Stephanie walked down so she
3 was ready? That's a wonderful thing to
4 emulate.
5 (Laughter.)
6 CHAIRMAN DeFRANCISCO: Okay,
7 Stephanie, you're on.
8 MS. GENDELL: Good afternoon or
9 evening. I'm Stephanie Gendell. I'm the
10 associate executive director for policy and
11 government relations at Citizens' Committee
12 for Children of New York, which is a
13 multi-issue independent child advocacy
14 organization. We don't accept any government
15 funds, we just advocate on behalf of children
16 and families.
17 In my role at CCC, I was the cochair
18 of the New York State Coalition for More
19 Family Court Judges, and so I just wanted to
20 first take this opportunity to thank the
21 Legislature for your commitment to not only
22 increasing by 20 judges but making it
23 25 Family Court judges statewide. So thank
24 you.

♀

1 Unfortunately, the rest of my
 2 testimony isn't as positive. And since we're
 3 multi-issue, I'm not going to read my
 4 testimony --

5 CHAIRMAN DeFRANCISCO: Okay, excuse me
 6 one minute. I know we're trying to hurry
 7 everybody. Slow down just a bit so she can
 8 get your testimony, she's -- the
 9 stenographer.

10 MS. GENDELL: Oh. Sorry. Hello.
 11 Sorry.

12 SENATOR KRUEGER: We're from New York
 13 City, where we talk fast.

14 CHAIRMAN DeFRANCISCO: We're from
 15 upstate --

16 MS. GENDELL: We talk fast in New York
 17 City, and we have a lot of issues.

18 So because we're multi-issue, I'm not
 19 going to read my testimony --

20 CHAIRMAN DeFRANCISCO: Thank you.

21 MS. GENDELL: -- but we have issues
 22 with each component related to children,
 23 starting with child welfare.

24 As you may know, the federal

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1 government recently did what's called a Child
 2 and Family Services Review, where they review
 3 the safety, permanency, and well-being of the
 4 children in the system. And essentially
 5 New York is in the bottom five states in

6 almost every area that's reviewed.
7 So given this, we were very
8 disappointed to see that there is actually no
9 new funds added essentially to child welfare
10 in the entire budget, starting with the child
11 welfare financing. I feel like I could just
12 rewind my testimony on this from last year
13 and the year before and the year before, but
14 once again the budget proposes to reimburse
15 localities at 62 percent rather than the
16 statutory 65 percent for preventive and
17 protective workers, as well as a couple of
18 other areas within child welfare services.
19 But those are the big ones.

20 We talked earlier about safety and
21 caseloads, particularly in Erie County. This
22 is just the funding that would be used to
23 increase the number of caseworkers in Erie as
24 well as preventive services throughout the

♀ 381
1 state.

2 As was discussed with relation to
3 foster care, there is essentially an unfunded
4 mandate to the localities in the foster care
5 block grant by only putting in half of the
6 cost of the COLA. In addition, funding for
7 KinGAP is still inside the foster care block
8 grant. That money is intended for children
9 in foster care. Children who have KinGAP are
10 outside the foster care system and should
11 have their own funding stream.

12 The counties have done a really good
13 job of implementing Ki nGAP, which means that
14 there's more children outside the foster care
15 system who are now using the money meant for
16 children in foster care.

17 In addition, there are additional
18 reforms for child welfare, like bringing back
19 what was once called COPS -- it essentially
20 is preventive services that would actually
21 prevent child abuse and neglect from
22 happening in the first place, by targeting
23 services to needs in the community without
24 requiring a report.

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1 We believe that we need to do more to
2 strengthen the housing subsidy program. It
3 currently only pays \$300 per month for up to
4 three years. No family in New York City or
5 anywhere else really in the state is able to
6 stabilize their housing situation on a
7 subsidy of \$300 per month. Adjusting the
8 \$300 -- which was established in 1988 -- to
9 inflation would bring it to about \$600, so
10 that's what we're suggesting.

11 In addition, for youth aging out of
12 foster care, that subsidy ends at age 21, but
13 the young people can stay in foster care
14 until 21. So for them to make use of the
15 subsidy, it would make sense to allow them to
16 use it from 21 to 24.

17 We support what others have asked for

18 in regards to college for foster youth,
19 post-adoption services, child advocacy
20 centers. Earlier the commissioner of OCFS
21 was asked whether there was money in the
22 budget for Safe Harbor, and he didn't know.
23 But the answer is no, it was all cut out of
24 the budget again. It was a legislative add

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383

1 of \$3 million. Which was ironic, because
2 then that was part of the answer to the
3 question about how OCFS was helping runaway
4 and homeless youth, by using this money that
5 they had cut out of the budget.

6 With regard to -- moving on -- sorry,
7 I can go slower, I'm sorry. With regard to
8 early childhood education, we were extremely
9 concerned to see that there's essentially no
10 new investment to early childhood education
11 in the budget. Starting with childcare, as
12 we've discussed, the childcare block grant is
13 flat, yet we are anticipating that with the
14 implementation of the federal changes that
15 there will be more costs associated. And we
16 need to make sure that not only do we not
17 lose ground, but we really should be
18 expanding, as several of the members of the
19 Legislature have discussed today.

20 There are thousands and thousands of
21 children in low-income families throughout
22 the state whose parents do not have access to
23 childcare. We are requesting \$100 million

24 add for this year. I think it was

♀ 384

1 Assemblywoman Jaffee who suggested we get up
2 to \$2 billion. We certainly support that.

3 I know pre-K is not the focus of this
4 hearing, but just to throw in that we really
5 do need to still do something about serving
6 4-year-olds outside of New York City. There
7 are many children who are 4 years old who do
8 not have access to a pre-K program outside of
9 New York City.

10 We do support the add in the budget to
11 help localities better access the school
12 meals -- the childcare meals and after-school
13 meals programs.

14 On the housing and homeless, family
15 homeless side, we are supportive of the
16 proposal related to New York/New York 4. We
17 desperately need more supportive housing, but
18 we don't actually feel that that program goes
19 far enough, and we urge you to negotiate a
20 new supportive housing agreement that creates
21 at least 20,000 new units over the next
22 10 years, rather than the 5,000 proposed.

23 In addition, in the other areas
24 related to homelessness, we had the same

♀ 385

1 questions that many of you had in whether it
2 was actually any real new money or it was
3 just moving money around.

4 With regard to income and food

5 security, we support raising the minimum
6 wage. We also agree that it should be
7 indexed to inflation. We have another
8 suggestion, which would be eliminating the
9 asset limit test for 529 college savings
10 accounts. We think that low-income people
11 should be able to save for college and it
12 shouldn't hamper their ability to get
13 benefits, and we know that having these
14 savings really helps a young person develop a
15 college identity.

16 We support Raise the Age, all 38 of
17 the recommendations that are in the plan. We
18 appreciate the efforts that were made by the
19 commission to really think through a system
20 that really addressed the concerns of all the
21 members of the commission, be they child
22 advocates, DAs, sheriffs. And we really
23 think it struck a middle ground in a lot of
24 areas, and that it not only raises the age

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1 but it does a lot to improve the juvenile
2 justice system overall.

3 It raises the floor so 7-year-olds
4 will no longer be treated as juvenile
5 delinquents in our system. It also includes
6 important investments in services. And it
7 caps for the counties the amount that they
8 need to pay for facility costs, which would
9 really help some of the counties. Outside
10 New York City, that appears to be savings,

11 and in New York City they're required to use
12 it to help the homeless, which is a desperate
13 need in the city, so we won't object to that.

14 Turning to youth services, we are very
15 disappointed to see that not only is there no
16 new addition of after-school money, which was
17 our understanding last year that there would
18 be new after-school money, but there is
19 actually a reduction in after-school money
20 because none of the legislative adds were
21 saved.

22 We urge the Legislature to work with
23 the Governor to bring back the commitment to
24 expanding after-school, and we suggest adding

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387

1 \$178.5 million which would help serve 110,000
2 children statewide.

3 And finally, on runaway and homeless
4 youth, the state puts in a very small amount
5 of -- I'm not sure what. But you add about
6 \$200,000 to that, and we're seeking a
7 restoration back to the 2008 level, which was
8 \$4.7 million. The state puts in about
9 \$2.3 million and you put in 144,000.

10 So unfortunately there's a lot of work
11 left to be done to make New York a better
12 place to be a child, but we look forward to
13 working with you on that.

14 Thank you.

15 CHAIRMAN DeFRANCISCO: Thank you very
16 much.

17 CHAIRMAN FARRELL: Questions?
18 CHAIRMAN DeFRANCISCO: The lack of
19 questions has nothing to do with the quality
20 of the presentation.
21 MS. GENDELL: Thank you.
22 CHAIRMAN DeFRANCISCO: Now, you didn't
23 listen to Stephanie, you're just walking down
24 now. Are you next? No. Who's next?

♀ 388

1 Kevin Douglas. Where's Kevin? Oh,
2 he's perfect. No, he started -- he's
3 following your instructions.
4 If you haven't testified yet and
5 you're going to, could you really move down
6 to the bottom? Because we'll start the clock
7 when I call your name.
8 Okay, Kevin Douglas. The next on deck
9 is Tamara Frazier, coordinator of government
10 relations, Empire Justice Center.
11 You're on.
12 MR. DOUGLAS: Thank you, and good
13 afternoon. Thank you to the chairs for the
14 opportunity to testify this afternoon. And
15 in the same way you've thanked the advocates
16 for sticking around to share their points of
17 view, the same thanks is due to all of you
18 for sticking it out multiple long days to
19 hear the concerns we have about our
20 communities.
21 So I'm with United Neighborhood
22 Houses, which is an association of settlement

23 houses and community centers across New York
24 City. We're in the five boroughs, with

♀ 389

1 38 agencies serving half a million
2 New Yorkers a year at over 500 sites and
3 employing 10,000 staff. So we have a pretty
4 significant stake in the state's budget in
5 terms of the services that are provided for
6 for our communities.

7 The settlement house model is that it
8 is neighborhood-based, strength-based
9 empowerment, and it's really kind of
10 young-age-to-old-age services and everything
11 in between -- childcare, after-school
12 programming, youth development, workforce
13 development, older adult services, you name
14 it. You walk in, and they can help you with
15 it -- or at least provide a referral.

16 So essentially every single topic that
17 has been discussed in this hearing today is
18 of great importance to us, and we want to
19 offer a few tweaks and enhancements that we
20 think belong in the budget.

21 I would start with something called
22 the Settlement House Initiative. This is
23 regularly cited by our agencies and many
24 throughout the state as one of the more

♀ 390

1 important funding streams despite its
2 relative small size. It was at \$2.45 million

3 in the budget last year. It does not appear
4 in the Governor's budget, and we would hope
5 for a restoration and a modest expansion to
6 \$3 million this year.

7 The reason this is such a critical
8 funding stream is because it provides
9 flexibility. Many of the agencies in our
10 network are drawing on city, state and
11 federal contracts that have sometimes
12 conflicting parameters, objectives -- and so
13 this creates gaps in services and also it
14 doesn't allow them to address rapidly
15 changing needs that occur more quickly than
16 government can adjust what their expectations
17 are for services.

18 So this funding allows them to really
19 create innovative programming. For instance,
20 some agencies use it to provide culturally
21 sensitive services to Arab-American
22 populations in terms of domestic violence.
23 Others use it to provide counseling and
24 therapy for children under the age of five

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1 who are victims of sexual abuse. It looks a
2 little bit different in every community
3 around the city and around the state, and
4 that flexibility is really what is key to
5 this funding.

6 And we would respectfully ask that the
7 Legislature once again restore this funding
8 as they've done in the past.

9 In terms of several populations I want
10 to touch on, beginning with youth -- some of
11 this has been said before, so I'll quickly
12 echo it -- in terms of childcare, we know
13 there's a tremendous need for these services,
14 and currently in New York City only
15 30 percent of children who would be eligible
16 for childcare are currently receiving those
17 services. That percentage drops to
18 22 percent when you're looking at the state
19 in total, so it would take an awful lot of
20 money to bring us up to scale on that.

21 But we think it would be appropriate
22 to invest \$100 million in addition to the
23 childcare block grant this year, which would
24 allow us to at least put a dent in that need,

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392

1 creating about 13,000 additional childcare
2 opportunities -- which, as you know, does not
3 just benefit the child but also allows their
4 parents to engage in meaningful work.

5 Moving up along the age spectrum, I
6 would echo the call for additional funding
7 for after-school. We know there's over a
8 million children or youth across the state
9 who don't have access to safe, quality
10 after-school services. We share the vision
11 in the city of the states who grow that
12 funding, and we're really disappointed to see
13 reductions in the Youth Development Program
14 and Advantage After School streams.

15 We know that \$178 million is a
16 significant lift. We encourage you to do
17 your best on that, but at a bare minimum we'd
18 want to see the reduction reversed, which
19 totaled about \$2 million between those
20 funding streams.

21 Another very important program to
22 youth is the Summer Youth Employment Program.
23 And I want to clarify an answer that was
24 given earlier today in this hearing about the

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1 impact of the minimum wage on this program.
2 And the question presented to OCFS was does
3 the additional investment of \$2.5 million in
4 the Executive Budget cover completely the
5 impact of that minimum wage -- i.e., are we
6 not going to lose any jobs? The answer was
7 yes.

8 I would say it's yes with a caveat.
9 In New York City there's a significant
10 investment in the Summer Youth Employment
11 Program alongside the state investment. And
12 whether you're serving a youth with a state
13 dollar or a city dollar, it doesn't matter if
14 the minimum wage is increased -- as we
15 support and think the state should go
16 further -- the cost of service increases.

17 So while the state's investment of
18 \$2.5 million might cover the portion of the
19 increase that's tied to their particular
20 investment, it does nothing to help us for

21 the thousands of slots that are supported
22 with city dollars. And of course we'll go to
23 the city and try to get them to kick
24 additional funding in, but being that it's a

♀ 394

1 state decision what the minimum wage is, I
2 think it's important for the state to
3 recognize that that has a significant impact
4 on the number of jobs and invest additional
5 dollars.

6 Beyond actually keeping jobs where
7 they are now -- and at a minimum, we need
8 \$5 million, give or take, to preserve current
9 job levels in New York City and around the
10 state -- we would actually like to go
11 further. You heard many people in this
12 chamber, including some of you up here, got
13 their start in the Summer Youth Employment
14 Program. It's really a remarkable program,
15 it's a high return on investment, and we
16 think we should be expanding it.

17 It's true that the state investment
18 was much higher in the past than it is now,
19 and we really took a hit when the stimulus
20 dollars came in and the state decided to use
21 some of that for the Summer Youth Employment
22 Program -- which is fine, but they nearly
23 halved their investment in SYEP, and it has
24 never recovered.

♀ 395

1 So though we've seen stepwise

2 increases in the last couple of years, we're
3 still below where we need to be. And we
4 recommend an additional investment of around
5 \$20 million to help us both cover that gap
6 created by the minimum wage as well as expand
7 the program to more youth throughout the city
8 and state.

9 Looking at the older adult population,
10 we were actually pleasantly surprised to see
11 that the Governor maintained the legislative
12 add of \$5 million last year for community
13 services for the elderly. However, you may
14 recall that we were pushing for much more
15 than that to address the wait list for
16 services for older adults around the state.

17 This funding is very important because
18 it allows older adults to really age with
19 dignity in their homes and receive home
20 services, case management, Meals On Wheels,
21 et cetera. It's really at the discretion of
22 social service districts how they use it.

23 And the question was asked earlier as
24 a result of that \$5 million, what has

♀

396

1 happened to those wait lists, and the answer
2 is we don't know yet. I think we can
3 anticipate those wait lists have gone down,
4 and our rough estimates say that they've been
5 reduced from probably around 6,000 older
6 adults to probably around 4,500 older adults.
7 We think those adults matter as well, and so

8 we are going to continue to ask for
9 additional investment to that program of
10 roughly \$20 million to cover that gap and
11 make sure all older adults who are looking
12 for those services can access them.

13 In terms of homelessness services, we
14 were pleased again that there is an emphasis
15 in the Governor's budget on the importance of
16 affordable housing and homelessness services.
17 However, one of the most key funding streams
18 was, you know, not really touched, the
19 Solutions to End Homelessness program. It's
20 seriously underfunded.

21 In the last round, all of the
22 applicants who were awarded grants were
23 actually only given 75 percent of the money
24 that they applied for. Which is a serious

♀

397

1 issue, because they already don't have enough
2 resources as it is to serve their community.
3 You know, this is a funding stream that could
4 easily double or triple and we would still
5 have a homelessness challenge. We're
6 encouraging an investment of an additional \$5
7 million to at least help us really kind of
8 break into that challenge and serve more
9 adults and help them not lose homes or stay
10 in their homes.

11 And finally, in the last couple of
12 minutes I just want to talk at large on just
13 kind of the nonprofit sector in being a major

14 deliverer of the services the state is, you
15 know, looking at today, human services. You
16 know, COLAs was talked about a little bit
17 earlier. And for many years nonprofits have
18 seen the term COLA as a dirty word, not to be
19 spoken up here, because it's going to be shot
20 down and we weren't going to get it.

21 But we think it's important to
22 recognize that it has an important role. We
23 can't just talk about how many dollars you
24 invest in a program this year and then, you

♀

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1 know, we've solved the problem -- even if we
2 give you the increase you asked for, because
3 that doesn't buy the same thing in five
4 years, in 10 years, in 15 years.

5 And if the contract levels are not
6 adjusted to adjust for higher wages, higher
7 cost of doing business, rental prices go up,
8 food, everything goes up, that has a negative
9 impact on the ability of nonprofits to
10 actually be fiscally sustainable.

11 And unfortunately over the last
12 several years we've seen that that's led to
13 several high-profile instances with
14 nonprofits unable to sustain their
15 operations. And that's in part directly
16 attributable to nonprofits overextending
17 themselves and taking contracts that they're
18 underfunded and they're late, but they do it
19 because they have a commitment to providing

20 services. In the same way that the state
21 recognizes it's important, we recognize that
22 it's important as well and take contracts
23 that perhaps we sometimes shouldn't.

24 And so there's supposed to be a

♀ 399

1 statutory increase every year for human
2 service providers. And there was a partial
3 increase in last year's budget, which thank
4 you, but it really didn't go far enough. And
5 really, over the last five or six years the
6 state has saved somewhere in the neighborhood
7 of \$350 million by denying those statutory
8 increases to the sector.

9 So we know that's a big number, but
10 it's been hurt -- you know, the sector has
11 been hurt. And so we're recommending that
12 that \$354 million be reinvested in the
13 sector, help stabilize them, and really plan
14 thoughtfully for moving into the future.

15 The last thing I'd mention is the
16 infrastructure fund that has been discussed
17 earlier today. We are very pleased to see
18 this in the Governor's budget. United
19 Neighborhood Houses, along with
20 UJA-Federation and the Human Services
21 Council, aggressively pushed for the
22 establishment of a human services
23 infrastructure fund. What is different from
24 what we asked and what the Governor's budget

♀

1 is is a magnitude of 10.

2 We recommended an investment of
3 \$500 million out of the state surplus to
4 really help nonprofits meet their capital
5 technology needs, which are needed to
6 maintain an agency; \$50 million was included
7 in the Executive Budget. We would love to
8 see the Legislature negotiate around the
9 remainder of the settlement dollars to really
10 bring it up to \$500 million. Fifty million
11 is great, but if you're talking about
12 providers around the state truly being able
13 to participate, it's not going to go far
14 enough. That could be gobbled up by one or
15 two agencies, and perhaps rightfully so.

16 Finally, last point --

17 CHAIRMAN DeFRANCISCO: You said the
18 last one was the last point.

19 MR. DOUGLAS: I realize I said that,
20 and you caught me. So I will make this for
21 sure the last point.

22 SENATOR KRUEGER: See, he's listening.

23 CHAIRMAN DeFRANCISCO: I'm listening.

24 MR. DOUGLAS: Thank you. So I'm

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401

1 actually noticing -- we started talking about
2 the next couple of witnesses while my clock
3 was ticking, so I'll take 15 seconds here.

4 Minimum wage increase. We definitely
5 support an increase in the minimum wage, we

6 support the flexibility of localities to
7 adjust their wage in accordance with the
8 state wage. However, much like the
9 discussion around the Summer Youth Employment
10 Program, we think it's important that any
11 increases to the minimum wage see the impacts
12 accounted for in nonprofit contracts.

13 Similar to the COLA issue, if we're
14 going to raise the wages of the people that
15 are serving our community in our programs, we
16 need to make sure that we can cover their
17 increased wages. So for the wage we just
18 need to make sure that the state accounts for
19 those expenses.

20 Thank you.

21 CHAIRMAN DeFRANCISCO: Thank you.

22 First of all, I commend you for being
23 able to actually give your remarks while
24 barely glancing at your notes, rather than

♀ 402

1 reading what we've got in front of us to
2 read. You have a command of the topic, and
3 you're very convincing in your -- secondly, I
4 just want to mention you're obviously a
5 glass-is-half-full guy, rather than
6 half-empty, because your remarks begin with
7 "good morning."

8 (Laughter.)

9 CHAIRMAN DeFRANCISCO: Senator
10 Montgomery.

11 SENATOR MONTGOMERY: Yes, thank you,

12 Mr. President.

13 Thank you, Anthony {sic}. I just want
14 to comment on one of the pieces in your
15 presentation, and that is the attention that
16 you've paid to the need for the nonprofit
17 services infrastructure development. And you
18 know we've talked about this. I'm so happy
19 that UNH is now looking at this as one of its
20 own mission statements.

21 And let me just say that Dr. Rudy
22 Crew, who is president of Medgar Evers
23 College, is also very, very interested in
24 reaching out to not-for-profit organizations

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1 in Brooklyn. And so I wanted to make sure
2 that you're aware of that. And that this is
3 one of the absolute necessities as it relates
4 to strengthening our capacity to provide
5 services in communities especially in some of
6 the areas that I represent, like I represent
7 in Brooklyn.

8 So thank you for doing that, and I look
9 forward to working with you. Certainly the
10 \$50 million, we hope, is just the beginning that
11 the Governor has proposed -- and I'm glad he
12 proposed it as well.

13 MR. DOUGLAS: Thank you, and you're
14 absolutely right. This is one of the major
15 things we hear about from our agencies, that
16 you can't provide quality services if your
17 roof is leaking and your phone system is

18 going down every other day, your Internet is
19 going out, you can't upgrade your spaces and
20 meet community needs.

21 So when the state is interested in
22 doing things like expanding pre-K or
23 after-school or things, if we don't have
24 space to do that, if we don't have acceptable

♀

404

1 space to do that, we can't do it. So you're
2 absolutely right. It's core to the mission
3 of nonprofits to have a stable
4 infrastructure.

5 SENATOR MONTGOMERY: Great. Thank
6 you.

7 CHAIRMAN DEFRANCISCO: Thank you very
8 much.

9 SENATOR KRUEGER: Thank you very much.

10 CHAIRMAN DeFRANCISCO: The next
11 speaker is Tamara Frazier, Empire Justice
12 Center.

13 On deck is Laura Mascuch -- is that
14 pronounced right?

15 And if you're keeping score, again,
16 the Hunger Action Network came back. So
17 they're going to be testifying, and we're all
18 appreciative of that.

19 Okay. Go ahead.

20 MS. FRAZIER: Good afternoon. My name
21 is Tamara Frazier. I am the coordinator for
22 policy and government relations at the Empire
23 Justice Center. I am here on behalf of Susan

24 Antos, who was unable to make it.

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405

1 Empire Justice Center is a statewide
2 legal services organization. We have offices
3 in Rochester, Albany, also in Westchester and
4 also in Long Island. We provide support and
5 training to legal services and other
6 community-based organizations, we undertake
7 policy research and analysis, and we also
8 engage in legislative and administrative
9 advocacy efforts.

10 In the interests of time, I just want
11 to touch on a couple of things. You have the
12 written testimony, and I know it's been a
13 long day, so we're just going to touch on a
14 couple of things that I think will be of
15 particular interest to you.

16 In terms of healthcare, we want to
17 talk about the Managed Care Consumer
18 Assistance Program, also known as MCCAP, and
19 we are coming to you in terms of a budgetary
20 item. It is run through the New York State
21 Office of Aging, and it provides seniors and
22 people with disabilities critical assistance
23 in accessing Medicare services and reducing
24 healthcare costs.

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406

1 We are very grateful to Governor Cuomo
2 for providing ongoing funding for the program
3 at the current level of \$1.767 million.
4 However, given that funding was cut in

5 previous budgetary years, we're asking that
6 the Legislature provide additional funds to
7 get MCCAP back to previous funding levels in
8 2008-2009 of \$1.962 million. This additional
9 investment of \$195,000 will enable the six
10 different centers across the state to return
11 to the capacity and help these individuals
12 navigate healthcare, especially in terms of
13 Medicaid, Part D, and things of that nature.
14 And so it is a small investment, but we
15 believe that it will help many low-income and
16 elderly New Yorkers across the state.

17 Also we want to talk about the
18 Disability Advocacy Program, also known as
19 DAP. There are a lot of acronyms that are at
20 play here. Disability Advocacy Program is a
21 program that's been around for over 30 years.
22 It's the brainchild of Assemblymember Richard
23 Gottfried in the Assembly. Thirty years and
24 counting, it has received national

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407

1 recognition for its program. And what the
2 program does is that it helps low-income
3 New Yorkers with their SSI and SSD appeals.

4 Advocates across the state, in terms
5 of attorneys and paralegals, take those cases
6 and actually work through the medical
7 evidence to help them get onto federal
8 disability benefits. By doing so, it enables
9 these folks to come off of public assistance
10 and receive stable federal benefits. They

11 receive retroactive benefits, and it also
12 helps with public assistance avoidance costs.

13 It has generated a lot of money for
14 the state. For every one dollar that's been
15 invested, \$3 have been returned to New York
16 State.

17 Last year it was funded at
18 \$5.26 million -- and many thanks to the
19 Legislature -- and an additional investment
20 of \$1.74 million was given to the program,
21 for a funding level of \$7 million. We're
22 very appreciative of that investment, and
23 we're coming back and asking for that
24 investment again this year. As the

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408

1 investment this past year has enabled
2 staffing levels to increase, more cases can
3 be opened, hotlines expanded. And we want to
4 make sure that this level of funding is
5 sustained so we're able to open more cases
6 and help many disabled New Yorkers across
7 New York State.

8 Also I want to just talk a little bit
9 about the Welfare Shelter Allowance.
10 Unfortunately, New York State has the dubious
11 honor of being ranked fourth in the nation in
12 terms of people living below the level of
13 poverty. And many times the public
14 assistance grant helps many New Yorkers, but
15 it's not enough.

16 And so we're calling for an increase

17 in the shelter allowance, which will enable
18 households to help pay the cost of rent, and
19 also for the fuel allowance, which help them
20 to pay for the cost of heat. As you know,
21 we've been experiencing inclement weather of
22 all types of magnitude in the last couple of
23 weeks, and you could imagine the cost of
24 heating can be a lot for families who are

♀

409

1 surviving on meager means.

2 Our recommendation is for an immediate
3 study from the Office of Temporary and
4 Disability Assistance to address the adequacy
5 of the public assistance grants, beginning
6 with both the shelter and the energy
7 components. We believe those are the first
8 two important things to look at.

9 Also, we're advocating for an increase
10 in the shelter allowance to 50 percent of the
11 original fair market rent across the state as
12 a down payment.

13 The next issue I want to talk to you
14 about is SNAP, also known as the Supplemental
15 Nutrition Assistance Program. New York has
16 experienced a staggering loss of \$365 million
17 in federal food assistance in the past
18 year -- which, you can imagine, has hurt many
19 families across the state.

20 As a result of changes in eligibility
21 levels, recipients receive a smaller monthly
22 benefit, and they're trying to do the same

23 amount with less. Families are trying to
24 sustain and provide and put food on the

♀ 410

1 table. However, the reduction in SNAP
2 benefits makes it very hard to do such, and
3 as you can imagine, that also affects
4 different food pantries and other
5 community-based organizations that are trying
6 to fill the gap.

7 And so our recommendation is that we
8 wish to advocate for improved access to SNAP,
9 also for college students as well, and to
10 allow college studies to count as SNAP
11 employment and training activities. We also
12 believe that expanding the categorical
13 eligibility to SNAP to 150 percent for all
14 households would help to bring that benefit
15 to more New Yorkers.

16 Also we're advocating for a seamless
17 transfer of SNAP benefits across county
18 lines. What happens is that many families,
19 they move and their cases close simply
20 because they've moved from one county to
21 another, which leads to a disruption in the
22 benefits to the household. So we believe
23 that's an administrative change that could be
24 easily fixed.

♀ 411

1 I believe that is all that I wanted to
2 highlight for you today. I have colleagues

3 coming behind me that will talk about
4 childcare subsidies as part of the Winning
5 Beginning coalition. We are advocating for
6 more money for childcare subsidies, in the
7 amount of \$100 million. We believe that many
8 children across New York State are
9 underserved and many working families need
10 help as the cost of childcare rises
11 exponentially every year.

12 I'm willing to take any questions if
13 there are any.

14 CHAIRMAN DeFRANCISCO: Thank you very
15 much.

16 The next is Laura Mascuch, for
17 Supportive Housing Network of New York. On
18 deck is Jessica Klos Shapiro. And if Jessica
19 could start heading down -- as she is,
20 wonderful.

21 Whenever you're ready.

22 MS. MASCUCH: Okay. Thank you. Thank
23 you for having me. My testimony also started
24 with "good morning," but I'll say "good

♀ 412

1 afternoon."

2 My name is Laura Mascuch. I'm the new
3 executive director of the Supportive Housing
4 Network of New York. We are a membership
5 organization representing over 220 nonprofits
6 statewide that operate over 48,000 supportive
7 housing units in the State of New York.

8 As everyone knows, we're at a time of

9 record homelessness, both in the city and in
10 other parts of the state. And we feel
11 supportive housing has been proven as the
12 effective solution to taking individuals with
13 chronic disabilities, mental health issues,
14 substance abuse, HIV/AIDS, and putting them
15 into a permanent, supportive housing
16 residence in the community where they can
17 receive the services that they need to live
18 successful lives and also to reintegrate into
19 the community. So we know it's the secret
20 sauce to helping us with our homeless crisis
21 that we're experiencing right now.

22 So I just wanted to talk about -- I'm
23 not going to read my entire testimony in the
24 name of time, but I just want to highlight

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413

1 three things.

2 As everyone is aware, the Governor put
3 into the budget 5,000 units to seed a new New
4 York/New York agreement, an agreement between
5 the Governor and the Mayor, but for the first
6 time this agreement will be statewide, which
7 is a very exciting venture. But as you know,
8 the need is great. We are currently part of
9 a larger coalition called the Campaign 4
10 NY/NY Housing, where we're asking for 30,000
11 units of supportive housing to be built over
12 the next 10 years. We're focusing in on
13 15,000 new construction units in the city and
14 an additional 5,000 upstate. That would

15 match HPD's supportive housing loan program
16 in the city to get those units done over 10
17 years.

18 We're coming to the end of the
19 New York/New York 3 agreement -- we have
20 17 units left to award -- and so that means
21 that our pipeline will soon be drying up,
22 which is a real crisis for helping us to end
23 chronic homelessness. So as you know,
24 tonight there are 60,000 people in the

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414

1 New York City shelter system and an
2 additional 20,000 in other localities. So we
3 urge the Legislature to stand with our
4 request for a commitment for additional units
5 and a significant agreement that will help us
6 address this problem.

7 We were very pleased that the Homeless
8 Housing Assistance Program was funded again
9 at \$63.5 million. As you know, applications
10 were no longer taken after December, so again
11 it shows the demand is great, and we expect
12 that those applications probably came over
13 \$100 million. And I've listed in my
14 testimony a number of projects that have
15 benefited from HHAP funding.

16 In addition, with this one-time
17 commitment to build supportive housing, it
18 must come with the services and the operating
19 support to make that housing successful and
20 to remain truly supportive and affordable for

21 the tenants.

22 So we are looking at two of the
23 programs within OTDA. The New York State
24 Supportive Housing Program, or NYSSHP, is one

♀ 415

1 of the state's most important funding sources
2 for innovative and effective solutions that
3 keep people from becoming homeless and
4 remaining stably housed. The network
5 recommends an increase to that program of
6 \$2.46 million to fund 30 recently opened
7 supportive housing residences who are unable
8 to come into the program due to the cap in
9 funding.

10 We have about 1,200 tenants who are at
11 risk due to this shortfall, and we would
12 appreciate if the Legislature could consider
13 raising that. For instance, in Rochester,
14 Son House was the first Medicaid Redesign
15 Team project to be completed with \$2 million
16 in capital funding from the HHAP-MRT program.
17 The project serves chronically homeless
18 adults and is running a deficit while
19 awaiting services funding. In addition, in
20 the YMCA in Brooklyn, which serves frail
21 elderly tenants with increasingly complex
22 medical needs, we have a ratio of over
23 100 tenants to each staff person, which
24 really isn't sufficient to meet the need.

♀ 416

1 We are also asking for an increase of

2 \$531,000 -- who a previous speaker spoke very
3 eloquently about -- that we in the short term
4 call it a COLA, but it really is to support
5 the operations of the building and really to
6 support our social workers and managers that
7 are building and running this housing.

8 In addition, I also wanted to talk
9 about the STEHP program. This too has been
10 severely underfunded. And of course this is
11 the front end of the system, this is the
12 prevention that helps us keep people from the
13 shelter system, so it's very effective. It
14 is anti-eviction programs, legal
15 representation, entitlement advocacy, and
16 emergency payments to keep at-risk families
17 and adults out of the emergency shelter
18 system.

19 And we feel that there's an additional
20 need of \$5 million. The 70 contracts were
21 only funded at 75 percent, and the number of
22 contracts were actually defunded or not able
23 to be funded. So we feel in this time of a
24 homeless crisis that that front end really

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417

1 needs to be supported in order to keep people
2 housed in the community.

3 So in conclusion, we greatly
4 appreciate New York State's investment in
5 supportive housing. As you know, we are a
6 model across the country for the right way to
7 house people with disabilities in the

8 community, and I think we're really a beacon
9 for how that can be done. It's an extremely
10 cost-effective endeavor. We save people at
11 least \$10,000 per year per unit because those
12 individuals would otherwise be in our psych
13 institutions, shelters, prisons, on the
14 street.

15 So we're really looking at this
16 investment in supportive housing. It creates
17 jobs, businesses, increased tax revenues.
18 And for all these reasons, I hope you will
19 work with us to protect the model and
20 increase the state's investment in supportive
21 housing.

22 Thank you.

23 CHAIRMAN DeFRANCISCO: Senator
24 Hamilton.

♀

418

1 SENATOR HAMILTON: Thank you, Chair.
2 Thank you, Chairman.

3 How you doing, Laura?

4 MS. MASCUCH: Hi.

5 SENATOR HAMILTON: I just want to
6 commend you for doing a great job with the
7 network organization, for providing much
8 needed supportive housing throughout the
9 state. One question I have, the YWCA of
10 Brooklyn, where is that located at?

11 MS. MASCUCH: The YWCA of Brooklyn?
12 It's on 9th Street and Park Slope.

13 SENATOR HAMILTON: Okay. Okay. Okay,

14 is that also affiliated with the Y on
15 3rd Avenue and 3rd and Atlantic?

16 MS. MASCUCH: Third and Atlantic, yes.
17 I mean, there's a larger YWCA umbrella, and
18 then these are individual buildings that have
19 very nicely used their facilities to turn
20 into supportive housing.

21 SENATOR HAMILTON: And I agree with
22 that. I just want to echo that.

23 A last question is you mentioned
24 adding 15,000 additional construction units

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419

1 for supportive housing --

2 MS. MASCUCH: Yes, right.

3 SENATOR HAMILTON: -- and that's
4 something that I always ask about, how we can
5 do that, how we can make it happen,
6 especially in my district in Brooklyn.

7 Vacant land is becoming very scarce,
8 and developers are buying vacant land,
9 prospecting it to build with the intention of
10 building once the area starts to -- I hate to
11 use the word "gentrify" -- but, you know,
12 change. So what do you propose, how do you
13 propose we do this? I mean, with the 15,000
14 additional new construction units in New York
15 City, with the rising cost of housing.

16 MS. MASCUCH: Right, no, it's a very
17 good question. It's becoming increasingly
18 more challenging to find properties that are
19 able to be developed that aren't out of reach

20 because they are so expensive.

21 SENATOR HAMILTON: Right.

22 MS. MASCUCH: But we have incredible
23 nonprofits that do it every day and find
24 those pieces of land, find buildings that are

♀ 420

1 maybe underutilized, so they buy properties
2 and turn them into supportive housing.

3 So we work, you know, very closely
4 with HPD in the city to locate those
5 properties that might particularly be in
6 jeopardy of going into foreclosure, vacant
7 land, and take those opportunities to build
8 supportive housing.

9 So it's not that it's easy, but we
10 feel that we've -- it's achievable,
11 especially since it's only 1,500 units a
12 year. And a portion of that would also,
13 above the 1,500, be affordable housing, so we
14 feel we can do it in a city as large as ours.

15 SENATOR HAMILTON: Thank you so much.

16 SENATOR KRUEGER: Thank you.

17 CHAIRMAN DeFRANCISCO: Do you know any
18 projects going on in Central New York for
19 supportive housing?

20 MS. MASCUCH: In Central New York?

21 CHAIRMAN DeFRANCISCO: Yeah.

22 MS. MASCUCH: I can -- I can get that
23 information back to you.

24 CHAIRMAN DeFRANCISCO: Okay. You knew

♀

1 the one on the very -- you could give the
2 addresses in Brooklyn.

3 (Laughter.)

4 CHAIRMAN DeFRANCISCO: So I guess --
5 yeah, I'd like to see what -- because it
6 always jumps out at me when there's 15,000
7 new units in the next 10 years in New York
8 City, and 5,000 for the rest of the state.
9 And I'd like to try to have some equity,
10 because there's a homeless problem upstate as
11 well. So I'd like to get some information on
12 what applications there were and what are
13 still out there.

14 SENATOR KRUEGER: To help you, your
15 own testimony references veterans supportive
16 housing in Long Island and Syracuse. So we
17 just need to find the address.

18 CHAIRMAN DeFRANCISCO: Well, there are
19 other -- you mentioned YWCA, I think
20 there's -- the YMCA's got a project going on
21 right now where they're trying to do the same
22 thing, and I want to make sure -- I want to
23 find out whether they applied and whether
24 they're in line.

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422

1 MS. MASCUCH: Right. I thank you for
2 your comment, and we'll get back to you,
3 Senator, with details about Central New York.
4 I've been in the job for two months, so I
5 don't know all of the details as of yet for

6 all of our providers, but I'm learning it.

7 CHAIRMAN DeFRANCISCO: A lot of new
8 people. But you know Brooklyn well.

9 MS. MASCUCH: Yeah. I live in
10 Brooklyn.

11 (Laughter.)

12 CHAIRMAN DeFRANCISCO: Thank you.
13 Okay, Jessica Kios Shapiro, public
14 policy director, Early Care and Learning
15 Council.

16 On deck is Laura Cameron, executive
17 director, Association on Aging in New York.

18 And Laura's already down here, is she?
19 Is Laura anywhere in the house? Okay, she's
20 coming down. Thank you.

21 MS. SHAPIRO: Hi, good afternoon. I
22 just want to thank you for the opportunity to
23 provide testimony. You guys have been here
24 all day listening to all these issues, and

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423

1 that means a lot that you're sticking around.

2 We are the Early Care and Learning
3 Council, which is the statewide network of
4 childcare resource and referrals -- so we
5 cover every county in the state, though there
6 are 35 that actually provide the services.

7 And today we're also discussing our
8 role as a leader in Winning Beginning
9 New York, which is the coalition for early
10 learning in New York State. And Winning
11 Beginning New York is supportive of childcare

12 subsidies, after-school programs,
13 QUALITYstarsNY, and then some services that
14 aren't in the human services pot -- pre-K and
15 early intervention -- but nonetheless are
16 needed for children.

17 So I wanted to highlight some of the
18 things that a lot my colleagues have already
19 said, which include childcare subsidies, and
20 I was very pleased to hear many of the
21 legislators be supportive of that and
22 recognize that that's a need in their
23 community. So as stated before, our ask is a
24 \$100 million for childcare subsidies for this

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424

1 year. And I know that seems like a very
2 large number, but I believe, Senator Krueger,
3 you asked before about waiting lists, and
4 this is taking in estimates of stuff that we
5 know -- the Office of Children and Family
6 Services does not keep track of this stuff,
7 so this is kind of going county-by-county and
8 asking the need -- and the \$100 million would
9 allow us to provide services for the
10 13,000 children that are currently waiting in
11 or are eligible and haven't even applied,
12 just kind of things we know from incomes.

13 So this would allow us to get to a
14 more universal childcare, because we know
15 that childcare is early learning as well as
16 pre-K is. And sometimes there's the
17 dichotomy between education and human

18 services, and we know that children are
19 learning when they're in childcare.

20 To that end, we want to improve the
21 quality of childcare, and we're asking for an
22 increase to the Executive's \$3 million
23 investment in strengthening the quality
24 through QUALITYstarsNY, which is the quality

♀

425

1 rating and improvement system that looks at
2 improving the quality of the professional
3 development of the programs and the program
4 settings, as well as providing parents with
5 ratings that would allow them to pick what
6 quality center they want -- they would know
7 if a center is a one-star or a four-star.

8 And I just want to address some of the
9 other things that kind of came up throughout
10 the day. We spent a lot of time with Raise
11 the Age, which we find very important, but
12 when I think back to what early childhood
13 programming can do -- some of the crime
14 reduction that can happen by investing in
15 children while their brains are still
16 developing in their early impressionable
17 years, and giving them a safe, stable
18 environment where they can learn.

19 I wanted to just read one quick thing.
20 We had several business owners provide us
21 quotes for our testimony, because they were
22 not able to be here today, but talking about
23 the importance of childcare to businesses and

24 keeping the economy in New York State going.

♀

426

1 So this quote is: "One of the
2 barriers we have encountered that thwarts our
3 success is the availability, accessibility
4 and affordability of childcare. On an
5 average, we have about three job placements
6 that fail or are cut short each month due to
7 childcare issues. These are cases in which
8 the candidate meets the job qualifications
9 and is eager to accept the position, and the
10 employer is satisfied they have found a
11 skilled and competent employee; however, the
12 job placement does not happen because of
13 unmet childcare needs. This equates to
14 several thousand dollars in lost wages as
15 well as many hours of lost staff time
16 internally as our team works to assist job
17 seekers." And that is from a business owner,
18 John Calabrese, he's the owner and president
19 of Mohawk Valley Express Employment
20 Professionals.

21 And so that's just very impactful,
22 showing what can happen if we do invest in
23 childcare. And as I stated, it would be
24 about 13,000 children more with the

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427

1 investment of \$100 million this year.

2 And I just wanted to reiterate that
3 without an increase in the state's investment
4 in critical policy changes, also looking at

5 how much parents are paying, even if they are
6 receiving a subsidy, we would like to see a
7 more standardized system where a parent is
8 not paying more than 10 percent of their
9 discretionary income, especially a low-wage
10 parent -- they don't have money to afford
11 that. And sometimes even the copays that are
12 available are very large. Childcare can
13 account for 50 percent of a family's budget,
14 which is just staggering.

15 So since you have heard many of these
16 other things today, I just wanted to thank
17 you for your time, and I'll take any
18 questions.

19 CHAIRMAN DeFRANCISCO: Thank you. You
20 get a five-minute credit next year.

21 I see Mr. Erik Kriss is here. Is
22 associated with your organization?

23 MS. SHAPIRO: No.

24 CHAIRMAN DeFRANCISCO: I thought

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428

1 maybe; he was taking pictures. Because I had
2 a few questions of him if he was with you.
3 He was a reporter at my local newspaper for
4 years, and I never got to ask him any
5 questions.

6 (Laughter.)

7 MS. SHAPIRO: I can call him up here.

8 (Laughter.)

9 CHAIRMAN DEFRANCISCO: No, no.

10 Thank you very much. I appreciate

11 your understanding of the lateness of the
12 hour.

13 Laura Cameron, executive director,
14 Association on Aging in New York, followed by
15 AARP, and that's Beth Finkel.

16 MS. CAMERON: Good afternoon. I'm
17 Laura Cameron, executive director of the
18 Association on Aging in New York. We
19 represent the 59 county Offices for the Aging
20 throughout New York State.

21 My written testimony provides a lot
22 more details, and of course today I'll just
23 make a few brief points. And I'd also like
24 to highlight just a few of the people behind

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429

1 the numbers. These people are senior
2 citizens that do contact our Offices for the
3 Aging throughout the state each and every
4 day.

5 Frank Morris, an 79-year-old widower
6 in Western New York who's lost both of his
7 sons. He has a number of physical
8 disabilities, and he wears braces on his
9 legs. He has difficulty cooking for himself.
10 Home-delivered meals to his local Office for
11 the Aging, which I'm sure a lot of you are
12 familiar with, allow him to get the nutrition
13 that he needs to remain healthy and
14 independent.

15 Tammy Wright is an 83-year-old who has
16 a history of cancer, high blood pressure,

17 heart disease, and is legally blind. After
18 her husband passed away, she had difficulty
19 maintaining her home in the Adirondacks, and
20 she needed assistance with bathing and meal
21 preparation. Her Local Office for the Aging
22 sent a caseworker to her house to assess her
23 situation and, as a result, she receives a
24 few hours of personal care each week. Just a

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430

1 little bit of help on the home front and
2 ongoing case management has allowed her to
3 live independently in her home.

4 John Taylor was struggling financially
5 to stay in his apartment in Queens and hadn't
6 signed up for Medicare Part D because he
7 thought the options were too confusing. So
8 he contacted the New York City Department for
9 the Aging, and a HICAP coordinator -- which
10 is the Health Insurance Counseling and
11 Assistance Program -- reviewed his situation
12 and showed him his options so that he could
13 make the best decision possible.

14 These individuals are as diverse as
15 the communities that they live in. Yet one
16 program, the Community Services for the
17 Elderly, can help them all. Why CSE? In a
18 word, flexibility. Some localities have
19 waiting lists for home-delivered meals and
20 social-model adult day programs, others need
21 in-home personal care. It varies widely.
22 The CSE program, Community Services for the

23 Elderly, helps fill those gaps.

24 There are many positive signs in

♀ 431

1 Governor Cuomo's Executive Budget. Number
2 one, the Governor acknowledged the value of
3 the Offices for the Aging in his Executive
4 Budget by including last year's \$5 million
5 legislative add to the Community Services for
6 the Elderly program.

7 Number two, the Governor included
8 \$7.4 million for a cost-of-living adjustment
9 for several aging programs, something that
10 has not happened in several years, so we are
11 very pleased that that happened. It will
12 have a very positive impact on the delivery
13 of aging services.

14 And number three, in the Department of
15 Health budget the Governor allocated
16 \$8.2 million in Medicaid funds for the
17 sustainability of the NY Connects program.
18 This was designated as a No Wrong Door
19 component of a federal grant known as BIP,
20 the Balancing Incentive Program. And the
21 Executive Budget also identified, for next
22 fiscal year, \$18.1 million to sustain this
23 program. We view that this is a strong
24 commitment to this new initiative.

♀ 432

1 Briefly, for those that aren't
2 familiar with NY Connects, it is a statewide

3 locally based point of entry system that
4 provides access to comprehensive information
5 and assistance on long-term services and
6 supports. Anyone who has attempted to
7 navigate the maze of long-term services knows
8 you could use assistance. Even for those of
9 us in the field it's very helpful to have
10 somebody help you through, especially when
11 you're facing a crisis situation with a loved
12 one.

13 The No Wrong Door component of the
14 state's BIP grant ends on September 30th, so
15 this sustainability plan will help carry the
16 program forward. Because if we build it, of
17 course, we want people to come and we want to
18 continue the program on into the future.

19 While we celebrate the positive, we
20 also look to the horizon and we see unmet
21 demand for our services. The Governor's
22 budget, yes, it is a very positive step in
23 the right direction to address unmet demand.
24 However, to continue the demand for

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433

1 non-Medicaid aging services, we are asking
2 the Legislature to provide an additional
3 \$21 million for CSE.

4 Why do we ask for more? Number one, a
5 recent survey of Offices for the Aging by our
6 association captured more than 7,600 frail
7 and at-risk older New Yorkers on waiting
8 lists for supportive services.

9 Number two, the unmet demand will
10 continue to increase as more people access
11 the NY Connects program and the enhancements
12 under the No Wrong Door, which I briefly
13 discussed before. All of this will drive
14 more people to seek assistance and will
15 increase the demand. As part of this
16 program, there'll be an advertising program
17 and more people will be aware of it. Again,
18 all good things to drive people to make good
19 decisions, but it will, needless to say,
20 increase the number of people looking for
21 those services.

22 Number three, demographics. I think
23 we all know that America is graying, and it's
24 certainly happening right here in New York.

♀

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1 The senior population in the last census
2 increased 15 percent, and that's just the
3 average. Many counties actually experienced
4 over 20 percent increases and, looking
5 forward, the age cohort of 85-plus, which
6 need our services even more, will probably
7 increase 35 percent. So that's just a window
8 into the future.

9 And so we end where we began. Tammy,
10 John, and Frank -- these individuals are as
11 diverse as the communities in which they
12 live. And yet one program, Community
13 Services for the Elderly, can help them all.

14 So in closing, we do ask the

15 Legislature to invest \$21 million in this
16 Community Services for the Elderly program to
17 enable New York residents to remain in their
18 homes and in their communities. After all,
19 that's where they want to be, and that's
20 where we'd like our loved ones to be as well.
21 It's good for them, and it's good for
22 New York.

23 And thank you so much.

24 CHAIRMAN DeFRANCISCO: Thank you very

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435

1 much.

2 Beth Finkel, from AARP, the New York
3 State director, is next. On deck is the
4 Alliance of New York State YMCAs, Kyle
5 Stewart, executive director.

6 MS. PALMER: Good afternoon, Senator
7 DeFrancisco and members of the committee, and
8 of course a very happy birthday to
9 Assemblyman Farrell.

10 I am not Beth Finkel. I am Laura
11 Palmer, and I'm the acting associate state
12 director for advocacy for AARP here in
13 New York.

14 My testimony will focus on the State
15 Office for the Aging-funded programs which
16 are of particular import to our membership.
17 The Executive Budget makes several
18 investments in SOFA programs that we strongly
19 support.

20 First, the Executive Budget proposes

21 an additional \$8.2 million for the
22 NY Connects program. Previous testimony has
23 already addressed NY Connects, but I would
24 like to highlight a couple of points that I

♀ 436

1 think really illustrate how important this
2 program is.

3 According to SOFA, between April 2013
4 and March of 2014, the majority of people who
5 were contacting NY Connects did so seeking
6 assistance with home-based services. In
7 fact, more than 57,000 people contacted
8 NY Connects for home-based services. An
9 additional 56,000 people contacted
10 NY Connects looking for consumer and
11 caregiver supports.

12 Obviously NY Connects is a vital link
13 between consumers and the services that they
14 need, and for that reason AARP New York
15 recommends that the Legislature support this
16 appropriation.

17 The Governor also proposed a
18 significant investment in caregiver supports.
19 The Executive Budget invests \$25 million to
20 increase funding for caregiver respite
21 services, including \$16.5 million in
22 additional funding for Alzheimer's Disease
23 Assistance Centers and the Alzheimer's
24 Disease Community Assistance Program. AARP

♀ 437

1 understands that the \$16.5 million will be

2 allocated to support statewide respite
3 services through an RFP process administered
4 by the Department of Health and SOFA.

5 Over the summer of 2013, AARP
6 New York, along with the Council of
7 Senior Centers and Services of New York City
8 and the New York State Caregiving and Respite
9 Coalition, convened a series of 14 listening
10 sessions around the state to hear directly
11 from caregivers as well as service providers.
12 It was very apparent from these listening
13 sessions that caregivers are in desperate
14 need of respite services to continue helping
15 frail seniors to age in place, but they're
16 not receiving these services.

17 The \$25 million will help more
18 caregivers to access these services, and AARP
19 recommends that the Legislature support this
20 appropriation.

21 We were also very pleased to see the
22 State Office for the Aging's community-based
23 programs remained essentially intact and that
24 the Executive retained the \$5 million 2014

♀

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1 legislative add to Community Services for the
2 Elderly, or CSE. However, the current level
3 of funding fails to meet the current need.
4 Further, the additional funding being
5 proposed for NY Connects will appropriately
6 result in New Yorkers trying to access these
7 services, only to be placed on a waiting

8 list.

9 You've already heard the Association
10 on Aging in New York's conservative estimate
11 about the number of people on the wait list
12 for non-Medicaid-funded home and community
13 support services. These services provide
14 people with the care that they need while
15 saving taxpayer money by keeping individuals
16 out of significantly more expensive
17 institutional care settings.

18 A recent AARP-commissioned poll
19 revealed, unsurprisingly, that the majority
20 of New Yorkers preferred to age in place, in
21 their communities and in their homes, rather
22 than in a long-term care facility. Our poll
23 shows strong support for New York to make an
24 investment in home- and community-based

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1 services that not only help seniors to age in
2 place but that will help keep them out of
3 expensive Medicaid-funded nursing homes.

4 Family support is a key factor in
5 determining an older person's ability to
6 remain in his or her home and community and
7 out of institutional care settings like
8 nursing homes. However, the care provided by
9 family members comes at a cost, both to the
10 caregiver and to their families.

11 AARP believes that New York State
12 should make an additional investment in
13 non-Medicaid-funded home- and community-based

14 care that not only assists older people but
15 their family caregivers as well. New York
16 State's lack of commitment to older residents
17 and their caregivers comes at the wrong time
18 as our population ages, leaving fewer
19 caregivers to care for the frail elderly.

20 AARP recommends that the Legislature
21 eliminate the waiting list for
22 SOFA-administered programs and provide an
23 additional \$21 million for the CSE program,
24 and we believe that this investment will save

♀

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1 taxpayers money by reducing the demands on
2 Medicaid. CSE is a flexible funding stream,
3 which allows Local Area Agencies on Aging and
4 community-based agencies to address areas of
5 greatest need within their own communities.
6 While some communities have wait lists for
7 home-delivered meals and social-model day
8 services, others need more funding for
9 in-home personal care and assisted
10 transportation.

11 I think, with that, I will yield the
12 rest of my time, hopefully put it in the bank
13 for next year. Our written testimony expands
14 on any parts that I did not discuss out loud,
15 and I would again like to thank the committee
16 for allowing AARP to testify regarding human
17 services in New York State. I believe that
18 the programs I talked about will not only
19 help thousands of New Yorkers and their

20 families but will, most importantly, save
21 taxpayer money now and in the future.

22 I'm happy to take any questions.

23 CHAIRMAN DeFRANCISCO: Questions?

24 Yes. And who might that be? Senator

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1 Krueger.

2 SENATOR KRUEGER: Hi. Thank you very
3 much for your testimony. And it follows on a
4 number of other people.

5 I actually think that our failure to
6 be ready to handle the demands from a growing
7 population of frail, older elderly is a huge
8 issue for the state -- and the correlation
9 with dementia and Alzheimer's as well. But
10 AARP is both a New York organization and a
11 national organization, so I agree with your
12 testimony but I'm also asking you to help us.

13 Get the federal government to
14 understand that a Medicare system that will
15 pay enormous amounts of money for your last
16 two months of life in hospital but won't pay
17 anything to provide quality-of-life services
18 in your home and your community for
19 potentially the last five years of your life
20 is an absolute disaster that continues to
21 grow exponentially.

22 So we're spending enormous amounts of
23 Medicare dollars not on quality of life, and
24 I wouldn't even argue quantity of life, just

♀

1 high-tech, high-cost hospitalizations at the
2 very end. Right? I had a senior citizen say
3 to me recently, "You know, I can have heart
4 replacement surgery, but I can't get funding
5 to have somebody who can just come in and
6 help me a few hours a day and make sure I get
7 to the doctor's appointments and can make
8 sure that there's food in my refrigerator" --
9 at a radically less cost than what we're
10 talking about.

11 So I'm sure AARP does discuss this,
12 but I think we need to coordinate states
13 around the country, senior advocates and
14 people who are in this field who really
15 understand how ridiculous it is when you look
16 at what Medicare won't cover.

17 MS. PALMER: Senator, I want to thank
18 you for your comment, because it reflects
19 very much what we've heard at the grassroots
20 level. I mentioned the listening sessions
21 that we held around the state, and
22 expenditures on end-of-life issues were
23 certainly something that was raised not only
24 by people receiving the services and their

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1 caregivers but by service providers as well.

2 And I know this is something that's
3 being discussed at all levels of our
4 association, so I will most definitely bring
5 your comments back and hope that it will

6 inform our policy decisions.

7 SENATOR KRUEGER: Thank you.

8 CHAIRMAN DeFRANCISCO: Thank you very
9 much.

10 Kyle Stewart, Alliance of New York
11 State YMCAs.

12 On deck, Nora Niedzielski-Eichner,
13 executive director of the New York State
14 Afterschool Network. Is Nora here? Okay,
15 great. Thank you.

16 MR. STEWART: Good afternoon.

17 My name is Kyle Stewart. I'm the
18 executive director of the Alliance of
19 New York State YMCAs. The alliance
20 represents 43 YMCAs across the State of
21 New York, all separately incorporated, which
22 represent 130 facilities and many, many more,
23 hundreds of program sites -- that's
24 after-school sites and other program sites

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444

1 that YMCAs operate.

2 I know that many of you are well aware
3 of the YMCA, you probably have a Y in your
4 district or grew up with a Y, but the YMCA
5 runs a lot of programs that you don't see in
6 the gym or in the pool. We're actually the
7 largest provider of after-school programs
8 across the state. Much of our origins were
9 based in homeless housing and supportive
10 housing programs, and we also run a lot of
11 anti-bullying programs and a number of other

12 things.

13 So the YMCA has actually been in
14 operation for over 150 years, and each YMCA
15 offers community-strengthening programs and
16 services customized to the needs of the
17 individuals and communities that we serve.
18 In addition to what I'm going to provide to
19 you today for my testimony, I also wanted
20 just to echo what you've heard already.
21 We're very supportive of much of the
22 testimony that Jessica Klos Shapiro gave as
23 well, in addition to the \$100 million in
24 additional funding for childcare subsidies.

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1 And I'm going to talk a little bit more and
2 go into a little bit more about the
3 after-school program ask and request that we
4 have as well.

5 The Ys across the state each year come
6 up with our budget priorities. And when we
7 saw in the Governor's Executive Budget
8 proposal that there was a \$50 million
9 allocation for the nonprofit infrastructure
10 fund, we were delighted to see that.

11 Soon after we saw those numbers, and
12 actually before the Executive Budget was
13 released, we were in the middle of collecting
14 a list of projects from YMCAs across the
15 state, what we would consider the
16 shovel-ready projects -- that if some
17 infusion of public dollars were provided to

18 those individual Ys, that the shovel would go
19 in the ground in this fiscal year and work
20 would begin. Those projects range from an
21 upgrade to an HVAC, to a full new facility,
22 to a new pool, a new after-school room,
23 et cetera.

24 And so as we began the process of

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1 putting our list together, we found that we
2 are already at about \$25 million worth of
3 projects at just YMCAs across the state. And
4 that's a number of YMCAs all across the
5 state, from Jamestown all the way out to
6 Long Island.

7 In addition to those needs -- and
8 obviously the fact that \$50 million we feel
9 is a great first step but is inadequate,
10 since at the Y we could clearly spend at
11 least half that. In addition to that, we
12 also feel that there was some need in the
13 infrastructure funds, that it could be a
14 vehicle for investments in policy systems and
15 environmental change, strategies to improve
16 health and quality of life for all children
17 and families in the Empire State.

18 For example, with a \$1 million
19 investment of state funds, the Y would be
20 able to train and provide resources to fully
21 implement its healthy eating and physical
22 activity standards at over 450 YMCA
23 after-school program sites statewide.

24

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1 public funds to nonprofit organizations, \$3
2 are turned over in the community. And so
3 it's clearly a great investment to provide
4 dollars to human services organizations like
5 the YMCA and other nonprofits.

6 As I mentioned, the Y is the largest
7 after-school provider in the state and each
8 year serves over 1 million children and
9 youth. The current Advantage After School
10 program is vital to ensure that all of
11 New York's children have access to
12 after-school care. Even with the current
13 Advantage After School funds of
14 \$17.7 million, there are still over 1 million
15 youth in need of after-school programs.

16 We respectfully ask that
17 \$178.5 million in new funds be added to the
18 state budget for after-school programs.
19 These funds would allow 110,000 new students
20 to begin attending an after-school program.

21 And then, lastly, our last budget
22 priority that I wanted to mention to you
23 today is focused on the recently adopted SCR,
24 Statewide Central Registry clearance fee for

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1 childcare staff. In the Governor's Executive
2 Budget he provided for an elimination of many
3 fees that he called "nuisance fees," most of
4 them business-related. However, we feel that

5 this relatively newly imposed \$25 SCR fee is
6 clearly a nuisance fee for YMCAs, for
7 childcare providers across the state.

8 There is legislation that has been
9 introduced the past couple of years,
10 introduced by Senator Gallivan and Assembly
11 Majority Leader Joe Morelle, that would
12 eliminate this fee for nonprofit childcare
13 providers. We certainly support that
14 legislation and ask that a piece of
15 legislation such as that be included in this
16 budget and that the \$25 SCR clearance fee for
17 childcare employees be included as a nuisance
18 fee and be eliminated.

19 Community-based organizations such as
20 the Y bring added value to advancing all
21 human services programs and initiatives.
22 YMCA staff are on the ground in each
23 community we serve, know the community's
24 needs, and have gained the trust of families

♀

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1 and community leaders. The Y is a critical
2 part of the human services landscape in
3 New York and is eager to work with the state
4 to deliver community-strengthening services.

5 Thank you for the opportunity to
6 present to you today, and I'll take any
7 questions that you may have.

8 CHAIRMAN DeFRANCISCO: Senator Savino.

9 SENATOR SAVINO: Thank you.

10 I just have one question. On the SCR

11 fee, refresh my memory. Does the agency have
12 to pay the fee, or do you pass it on to the
13 applicant?

14 MR. STEWART: In most cases the YMCA
15 is paying the fee. But it is not required
16 that the YMCA or that the agency pay it.

17 SENATOR SAVINO: So why don't you pass
18 it on to the applicant?

19 MR. STEWART: In many cases --

20 SENATOR SAVINO: When I was a
21 caseworker a million years ago, I had to pay
22 the application fee. And, you know, someone
23 is applying for the job, it could very well
24 be seen as a cost of the application, similar

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1 as to when you, you know, take a civil
2 service test. Unless you can prove poverty,
3 you have to pay the testing fee.

4 MR. STEWART: Yes, exactly right. And
5 the fact that it's -- quality childcare staff
6 is in high need. Our turnover rate,
7 especially for our after-school programs,
8 because it's basically a 20-hour-a-week job,
9 is a high turnover rate. And so any means
10 that we could have to attract potential
11 high-quality employees, without charging them
12 potentially \$25 just to apply for the job, is
13 certainly something that we would support.

14 SENATOR SAVINO: But that SCR
15 clearance is something they could use in
16 their next -- you know, if they work for you

17 for a short period of time, they, you know --
18 assuming there's been no new hits against
19 them, certainly -- it's an investment in
20 their own career.

21 So I'm just suggesting that perhaps
22 you might want to think about passing the
23 cost on. Thank you. Other than that, great
24 testimony. I love your stuff.

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1 MR. STEWART: Thank you.

2 CHAIRMAN DeFRANCISCO: Thank you very
3 much. I got a preview the other day in my
4 office.

5 MR. STEWART: Yes, you did, yes.

6 CHAIRMAN DeFRANCISCO: Okay, thanks.

7 CHAIRMAN FARRELL: Thank you.

8 CHAIRMAN DeFRANCISCO: The next
9 speaker is for the New York State Afterschool
10 Network, Nora Niedzielski-Eichner. Close?

11 MS. O'CONNOR: I'm Jenn O'Connor.

12 (Laughter.)

13 CHAIRMAN DeFRANCISCO: That would have
14 been a lot easier if you'd told me that ahead
15 of time.

16 (Laughter.)

17 MS. O'CONNOR: So I'm the cochair of
18 New York State Afterschool Network Policy
19 Committee. I'm going to provide testimony
20 today on behalf of Nora Niedzielski-Eichner,
21 who's the executive director. I'll keep it
22 really brief, and I would ask that you save

23 any questions for her. She'll be happy to
24 answer them.

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1 SENATOR KRUEGER: Nora used to work
2 for the Senate, so say hello to her.

3 MS. O'CONNOR: I will, definitely.
4 Thank you, Senator.

5 You just heard, actually, from Kyle
6 that the after-school ask this year is
7 \$178.5 million. Again, last year Governor
8 Cuomo proposed \$160 million. We were
9 disappointed that there was no new funding in
10 after-school programs in this year's
11 Executive Budget proposal. And so we're
12 really hoping that you will work towards that
13 \$178.5 million.

14 That increase, again, as you've heard
15 before, will allow 110,000 students to begin
16 attending after-school programs in schools
17 and community-based organizations. And these
18 are 110,000 students who have already
19 expressed their need for a program.

20 Additionally, to maintain programs at
21 2014-2015 levels, we request that you restore
22 \$500,000 in Advantage After School. And in
23 order to restore the Youth Development
24 Program to 2014-2015 levels and expand

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453

1 juvenile justice diversion and delinquency
2 recidivism programs, we request that you

3 provide \$2.4 million for the Youth
4 Development Plan.

5 The America After 3PM survey of
6 parents and guardians found that an estimated
7 1.1 million New York students would attend
8 after-school programs if one were available.
9 This is the same number as when that survey
10 was conducted back in 2009. But in 2009,
11 New York was ranked third in the nation on a
12 combined score for after-school availability
13 and quality. In 2014, New York didn't even
14 make the Top 10. Funding for after-school
15 remains 35 percent below pre-recession levels
16 and substantially below need.

17 In the long run, after-school and
18 summer programs are a key component of
19 services for children and families, and so we
20 ask that the Legislature and the Governor
21 work together to develop a comprehensive plan
22 to eventually meet the needs of all of those
23 1.1 million students who want an after-school
24 program.

♀

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1 Like I said, I'm going to keep this
2 very brief, so I will close just by saying
3 thank you for your attention to this matter.
4 The body of research on high-quality
5 after-school and summer programs has grown
6 substantially in the last few years, and it
7 really does show clear evidence that
8 high-quality programs have significant

9 effects on academic achievement,
10 social-emotional skills, and job-readiness
11 skills. We believe at NYSAN that all of our
12 children deserve this opportunity, and the
13 written testimony includes a couple of
14 additional recommendations for specific
15 programs.

16 CHAIRMAN DeFRANCISCO: Thank you. Any
17 questions? Thank you.

18 The Hunger Action Network of New York,
19 Susan Zimet.

20 SENATOR KRUEGER: And some
21 environmental guy.

22 (Laughter.)

23 CHAIRMAN DeFRANCISCO: And on deck --
24 he's everywhere, I'll tell you.

♀

455

1 MS. ZIMET: Actually, I'm the
2 environmental woman. He's really the --

3 CHAIRMAN DeFRANCISCO: He's
4 everywhere. He's everywhere.

5 MS. ZIMET: He's everywhere, right, I
6 know.

7 CHAIRMAN DeFRANCISCO: Okay, excuse
8 me, followed by Todd Vaarwerk and
9 Adam Prizio.

10 Okay, you're on.

11 MS. ZIMET: Okay, thank you. And
12 also, thank you to those who stayed to the
13 very, very bitter end. We really appreciate
14 it. And there's so much that so many people

15 have said today that we really just back up
16 and support, so I've just crossed off so many
17 things on my thing that you'll be very happy
18 about that, that I'm not going to repeat what
19 everybody else said.

20 I happen to be the brand-new executive
21 director of the Hunger Action Network. And I
22 don't really have extreme expertise in this
23 field as of yet but will get it. But I'm
24 also the town supervisor of New Paltz, of

♀

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1 which I've been serving for a number of
2 years, was a county legislator, was a
3 supervisor before. So what I can say is I
4 just know the faces of the people in my
5 community where the lines for the food pantry
6 have gotten longer and longer and longer and
7 the people in my community -- we barely have
8 a middle class anymore. And people are
9 really on the edge and you don't see it, but
10 they're really on the edge and things are
11 really hard.

12 So just to top-line a couple of
13 things. In New York State, 23 percent of our
14 children live in poverty. Twenty-three
15 percent of our children live in poverty in
16 New York State. I'm a mother, a lot of us
17 are mothers and fathers, and I don't know how
18 any of us can go to sleep at night knowing
19 that.

20 Given that reality, it's not

21 surprising that the U. S. Census figures
22 released Wednesday revealed that in 2014, in
23 the world's richest country, one in five U. S.
24 children, 16 million children, resort to food

♀ 457

1 stamps for their meals. Before the
2 recession, it was one in eight children, or 9
3 million were on food stamps, so it's actually
4 doubled in a short time how many kids are on
5 food stamps.

6 In New York, according to the Fiscal
7 Policy Institute, the statewide family
8 poverty rate was 10.3 percent in 2007 but
9 rose to 12.2 percent as of 2012. So it used
10 to be 1.5 million people were food stamp
11 recipients; in this short time it's now
12 1.7 million. So 200,000 people now use food
13 stamps to put food on the table for them and
14 their family. If this isn't a crisis, I
15 don't know what it is.

16 Meanwhile, at this time 50 percent of
17 the global wealth is held by 1 percent of the
18 population. No wonder people are on food
19 stamps. Unfortunately, the wealthy are
20 getting richer and the economy is recovering
21 for them, but not for lower-income people.
22 As Marian Wright Edelman of the Children's
23 Defense Fund said: If we love America -- and
24 I'll add the New York -- and love our

♀ 458

1 children, we must all stand against the

2 excessive greed that tramples millions of our
3 children entrusted to our care.

4 Unfortunately, New York State has the
5 dubious honor of ranking fourth in the
6 highest number of people living below the
7 federal poverty level in the country. In
8 upstate cities, children fare the worst. We
9 are pleased that the Governor, in his State
10 of the State address, talked about poverty.
11 We're thrilled about that. And we're
12 thrilled that he has proposed the Rochester
13 Anti-Poverty Task Force.

14 However, poverty is a statewide
15 problem that touches inner cities, suburbs
16 and rural communities. We need a statewide
17 task force -- and funding to address the
18 problem. And, you know, while one kid gets
19 fed in Rochester, another kid is starving
20 someplace else. And every kid's life is just
21 as valuable as the next kid.

22 New York must address the public
23 assistance programs for shelter, fuel and
24 heating allowances, which are vastly out of

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1 line with actual costs, pushing families into
2 doubling up in overcrowded housing, living
3 without heat or in otherwise unsafe
4 dwellings, and all too often pushing them
5 into homelessness.

6 We agree -- and I'll just, you know,
7 touch on a couple of things. We agree with a

8 lot of what the Empire Justice Center said.
9 We believe the shelter allowance should be
10 increased by 50 percent. We need to ensure
11 that jobs are created that are living-wage
12 jobs that enable families to support
13 themselves.

14 We need a state minimum wage of \$15 an
15 hour, with indexing to inflation. New York
16 has consistently been ranked by the federal
17 government as among the worst -- the 48th --
18 in moving welfare participants into
19 employment and increasing their earnings.

20 Thousands of individuals have entered
21 the low-wage, low-skill job market since
22 welfare reform was enacted. However, these
23 jobs seldom lift people out of poverty or
24 even keep them off the welfare rolls for

♀

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1 good. Most welfare-leavers work at below
2 poverty wages except those fortunate few who
3 obtained a college education.

4 Childcare, which we've heard all over
5 today -- everybody talked about childcare, so
6 I guess childcare is the winner of the day,
7 and it's a critical component of every
8 working parent's life. Truthfully, they
9 should just pay all these mothers and fathers
10 to stay home and take care of their children
11 and we'd have a better world, but that's not
12 the case.

13 But in the U.S., we're only one of two

14 industrial democracies that do not provide
15 free childcare to all. The Governor's
16 proposed budget appears to maintain a flat
17 level of funding for child care subsidies,
18 and it needs to be increased.

19 And so the Hunger Action Network is
20 actually backing the Titus bill A8101 and the
21 Savino bill S5586 that would help to give an
22 exemption to protect non-TANF childcare
23 subsidies from cuts and allow the working
24 poor to remain in their jobs. So whatever I

♀

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1 can do, Diane, to help you, we're here to
2 help.

3 Working New Yorkers deserve up to
4 12 weeks of family paid leave to bond with
5 their new child, care for a seriously ill
6 family member, or address needs related to a
7 family member's military service or
8 deployment.

9 So in closing, as New Yorkers and as
10 elected officials, we have an obligation to
11 take care of the less fortunate before us.
12 Due to the controversy of so many areas of
13 our state government under investigation, now
14 is the time to show the people of our state
15 that our government cares and that we really
16 do care.

17 As elected officials, it is our
18 obligation to show what we stand for. And a
19 budget, having done budgets for the town and

20 for the county, a budget is a living document
21 and it shows what our priorities are, what we
22 stand for, and what we believe in. So make
23 this budget work for the people of New York
24 State who need our help, and thank you.

♀

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1 CHAIRMAN DeFRANCISCO: Thank you very
2 much.

3 Questions?

4 SENATOR KRUEGER: Thank you.

5 CHAIRMAN DeFRANCISCO: Thank you.

6 Now we have the Center for Disability
7 Rights, Adam Prizio and Todd. It doesn't
8 look like Adam is here. All right. Ma'am,
9 could you identify yourself? You're not
10 Adam, are you?

11 MR. VAARWERK: That's okay, it's a
12 change on the line. Adam helped us out by
13 adding us to his testimony today. He had to
14 go, so we're going to give his testimony.
15 And with me, I brought the person I was
16 supposed to testify with, so everybody gets
17 in.

18 MS. KELLEY: I'm Maura Kelley. I'm
19 director of Mental Health Peer Connection in
20 Buffalo, New York.

21 CHAIRMAN DeFRANCISCO: Very good.

22 MR. VAARWERK: And like my
23 predecessors, we're going to try and be as
24 time-efficient as we can.

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1 You have three sets of testimony in
2 front of you, and I'm going to give Adam's
3 first shift because, after all, he was
4 supposed to go first.

5 The big thing that I want to recognize
6 there, that I'm also going to talk about in a
7 minute, is our concern with being able to
8 make sure -- and it's been mentioned earlier
9 by a bunch of folks -- consumer-directed
10 personal assistance is something that a lot
11 of Centers for Independent Living are
12 involved in. In my county in Erie, it's also
13 part of the EISEP program, and it's one of
14 those things that is cost-effective when it
15 comes to aide service and can deal with a lot
16 of things that the Senior Network's been
17 talking about today.

18 The problem is that if we raise the
19 minimum wage or, as we just temporarily
20 avoided a federal rule set that would require
21 time-and-a-half for overtime for these
22 individuals -- which of course they certainly
23 deserve; however, the Medicaid rates and
24 budgets for the agencies do not cover wages

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1 of that type -- we wouldn't be able to afford
2 to continue to operate the programs at the
3 wages that are being proposed because the
4 rates are set recognizing the minimum wage as
5 \$8.75, whatever it is now, and recognizing

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that those aides aren't paid overtime.

So we really need to look at, as we're moving forward to get more community services into the hands of people, the rates and the budget's need to match it.

And that's where we go into the second segment. Because I work at an Independent Living Center -- the Center for Disability Rights is the Independent Living Center in Rochester; Western New York Independent Living is the Independent Living Center that serves Buffalo, Niagara Falls, and Batavia. And we are, as my testimony says, we're the agency of last resort.

I've heard a lot of testimony today about Balancing Incentive Program dollars. The thing with Balancing Incentive Program dollars is they're temporary and they're purpose-specific. An awful lot of Balancing Incentive Program dollars have been sent to various areas of the disability community that don't necessarily affect any of the others. For example, OPWDD has got a lot of BIP money coming down to be able to handle that population returning to the community. However, it doesn't help any of the other community programs where, if you're not OPWDD-eligible or you have a developmental disability but you don't meet OPWDD standards for service, all of that money, no matter how

12 much it is, isn't going to help out. And
13 that money is temporary.

14 So here's my problem. Centers for
15 Independent Living haven't gotten a
16 legislative allocation increase in 11 years.
17 In that same period of time, everything's
18 gone up. And these are people with
19 disabilities helping out other people with
20 disabilities. And we intersect a lot of the
21 other programs that are talked about today.
22 We're one of the prime agencies that they
23 want to move into the state's proposed
24 Department of Community Living, patterning

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1 after the federal example.

2 We'd love to be able to do it, we want
3 to be able to help people, but just like a
4 lot of other people we've come across today,
5 I want to be able to keep qualified staff in
6 positions long enough to provide long-term
7 supports for people. And we can't do that if
8 health care is rising 33 percent, if
9 unemployment insurance is rising 23 percent,
10 and at the same time we're on a steady trend
11 to increase serving people with disabilities
12 in excess of 15 percent extra a year. And
13 they're staying longer.

14 So we're looking for the agency's help
15 to increase the Independent Living Allocation
16 to \$18 million. It's a \$5 million ask over
17 what it is now, and I know that's a lot,

18 based on the other numbers that I've heard
19 today. But the thing is, we are the agency
20 of last resort. If you're not an OPWDD
21 person, if you're not covered by OMH
22 services -- which Maura's going to get to in
23 a minute -- if you're not covered by any of
24 those things, they're going to send you to an

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1 Independent Living Center.

2 And we're still going to need to find
3 a way to help you. Because if we don't,
4 you're going to end up in a nursing home or a
5 psych center. And the lady that talked about
6 supported housing, she's using a lower number
7 than I am, because the last I checked, a
8 nursing home is \$120,000 per person per year
9 in Western New York, and a psych center is
10 over \$220,000.

11 So anybody we keep in the community at
12 prevailing rates, we're going to save \$50,000
13 to \$75,000 per person. And that's Medicaid
14 dollars, right up front.

15 Everything else you need to know is in
16 the testimony I've provided, and I'm happy to
17 answer any questions you might have. But I
18 want to make sure that Maura has an
19 opportunity to bring her issues to the table.

20 CHAIRMAN DeFRANCISCO: Thank you.

21 MS. KELLEY: Good afternoon, or good
22 evening.

23 I run a program that serves people

24 with mental illness and we go to a lot of

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1 homeless shelters, soup kitchens, we're
2 outreaching with homeless people, and we see
3 a prevalence of -- I'm mental health, but
4 this isn't the issue.

5 The issue is so many people are
6 getting out of prison with no supports
7 whatsoever. They have to wait 45 days before
8 they get food stamps, Medicaid assistance, to
9 get housing -- they're homeless, they're in
10 shelters, not having any support, not having
11 any food. And it just doesn't keep our
12 communities safe when desperate people have
13 to do desperate things. Especially in
14 Buffalo, New York, where the weather is just
15 so terrible. People reoffend and, if
16 supports are not there, they're going to keep
17 on reoffending because that's the way of life
18 they know.

19 So I'm not asking for any money, I'm
20 asking for a look at the change in policy
21 that Department of Social Services has of
22 waiting 45 days upon release from prison to
23 get help, so they can get employment, they
24 can buy the steel-toed boots to work at

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1 construction, you know, they can buy whatever
2 they need. But they can't do that now.

3 So I just want to do bring that to
4 your attention, and thank you very much for

5 allowing us to speak.

6 MR. VAARWERK: The important thing
7 about Mental Health Peer Connection, I wanted
8 you guys to know to this before I walked
9 away, is that just like everything else in
10 independent living, I'm a person with a
11 disability helping other people. Mental
12 Health Peer Connection is peers, survivors of
13 the mental health system helping other
14 survivors in the mental health system.

15 So this problem was brought to me
16 because our staff is saying we're going into
17 homeless shelters and being told that the
18 jails and prisons are the new mental health
19 system. And they're being released where the
20 law says no one can help them prevent
21 homelessness for 45 days.

22 MS. KELLEY: Right. It's easier to
23 drop someone off at the county holding center
24 than to bring them to a hospital for care.

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1 So any questions?

2 CHAIRMAN DeFRANCISCO: Did you come
3 from Buffalo as well today?

4 MS. KELLEY: Yes.

5 CHAIRMAN DeFRANCISCO: Well, I
6 apologize. There was some confusion about
7 your testifying. I'm glad you came, and
8 that's quite a hike. The weather probably
9 isn't too terrific either.

10 MS. KELLEY: Well, the issue is we're

11 speaking for people who don't have a voice.

12 CHAIRMAN DeFRANCISCO: I understand.

13 MS. KELLEY: So it's worth the 10-hour
14 drive, it's worth hassling with the staff to
15 get to speak.

16 CHAIRMAN DeFRANCISCO: Well, you're
17 both to be commended.

18 MR. VAARWERK: And it's absolutely
19 worth your time, and we appreciate having it.

20 CHAIRMAN DeFRANCISCO: Thank you.

21 SENATOR KRUEGER: And I just -- I also
22 appreciate it. I'm from New York City. The
23 issues are exactly the same, and enormous.

24 And I think finally our city is

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1 starting to recognize, at least for people in
2 the city jail called Rikers, that it's ended
3 up becoming sort of the most expensive, least
4 humane model for providing services to people
5 with mental illness in the world. And it's
6 working to try to decrease people being sent
7 there in the first place, making sure that
8 prior to release they're getting them
9 processed for Medicaid so they can continue
10 to get healthcare service and treatment.

11 But you're also absolutely right, that
12 45-day rule for getting any other kind of
13 social services from the government is so
14 counterintuitive to the right answer.

15 MS. KELLEY: I don't know how we'd do
16 without 45 days of food, shelter, clothing,

17 boots, you know, so -- and then with a
18 record, forget it. You know, the chances of
19 becoming an upstanding citizen is very hard
20 to do.

21 SENATOR KRUEGER: Exactly.

22 CHAIRMAN DeFRANCISCO: Thank you again
23 very much.

24 And now the featured speaker, the last

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1 speaker that we've all been waiting for, the
2 United Jewish Appeal-Federation of New York,
3 Edie Mesick, state government relations
4 executive.

5 MR. VAARWERK: Senator, before she
6 starts -- Assemblyman Crouch has been here,
7 he never announced today, but he hung out to
8 the end, so I've got to put in a little kudos
9 for Assemblyman Crouch.

10 CHAIRMAN DeFRANCISCO: The seats up
11 here are in the -- you don't have to sit in
12 the cheap seats.

13 Okay. You're on, Edie.

14 MS. MESICK: Thank you so much, I am
15 delighted to be here.

16 As you said, my name is Edie Mesick.
17 I am the state government relations executive at
18 UJA-Federation of New York. We are a
19 New York City, Westchester and Long Island
20 philanthropy; we support a network of about
21 100 health and human service agencies that
22 provide a wide range of services. And we're

23 delighted to be here to talk to you about
24 some of the needs.

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1 I'm not going to read my testimony;
2 I'm sure you will. I want to emphasize the
3 very high priority that UJA-Federation puts
4 on the idea of a nonprofit infrastructure
5 investment fund. We are delighted with the
6 Governor's proposal for \$50 million, but we
7 think ten times that amount is needed,
8 \$500 million.

9 We hope that you consider adding to
10 that fund or creating a new vehicle that
11 would be resourced by the surplus dollars.
12 And we say that in particular because we
13 understand the Governor's proposal is to use
14 bonded dollars, and that might carry with it
15 a legal limitation about ownership of a
16 building before a nonprofit could apply.

17 And yet the needs that you heard Kyle
18 talk about across the Ys, also true across
19 the UJA system, are very much things like
20 information technology systems, many things
21 that don't have to do specifically with the
22 building but do have to do with the
23 infrastructure. So we hope that you'll be
24 considering a real expansion of that.

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1 As you know, UJA-Federation was active
2 in establishing the first human services

3 COLA, with your assistance, within the past
4 budgets. We really want to see that expanded
5 and some mechanism put in place to allow
6 contract dollars to increase as costs
7 increase.

8 Another very high priority program has
9 been the Naturally Occurring Retirement
10 Communities and Neighborhood Communities as
11 well, NORCs and Neighborhood NORCs. This has
12 been kind of level-funded for many years, and
13 we hope that you will be able to be our
14 champions in seeing a million-dollar increase
15 for NORCs and Neighborhood NORCs in this
16 upcoming budget.

17 We look forward to working with the
18 state on the question of whether we should
19 have an Office of Community Living that might
20 serve both seniors and persons with
21 disabilities. You have heard a lot already
22 today about the need for the Summer Youth
23 Employment Program, after-school programs,
24 UPK.

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1 I want to emphasize that we really
2 need the Legislature to be a leader on the
3 question of Safe Harbor funding. That is a
4 dreadfully underfunded program, even as we
5 are grateful for the \$3 million that was in
6 last year's budget but again is zeroed out by
7 the Executive.

8 Two very high priority job-readiness

9 programs, the Wage Subsidy Program and the
10 Career Pathways Program, we hope again you
11 will be able to be our leaders.

12 And I just want to mention one other
13 new program that we are hoping you'll give
14 serious consideration to, and that is the
15 Health-Related Legal Services Programs, the
16 medical-legal partnerships that you helped to
17 have New York State be the first in the
18 nation to designate these programs. Now,
19 with a little bit more freedom in the state's
20 economy, we hope you might establish a
21 funding resource for these programs.

22 So with that, I'll be happy to take
23 questions and refer you to my written
24 testimony.

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1 CHAIRMAN DeFRANCISCO: Any questions?

2 SENATOR KRUEGER: One.

3 CHAIRMAN DeFRANCISCO: One. Senator,
4 go ahead.

5 SENATOR HAMILTON: Good evening.

6 Thank you for being here today.

7 MS. MESICK: My pleasure.

8 SENATOR HAMILTON: I just want to say
9 the UJA-Federation has been doing a
10 phenomenal job. Part of my district covers
11 Crown Heights, and we have a large Jewish
12 population. And I just want to ask a
13 question. I know the Metropolitan Jewish
14 Council -- the Mets Council?

15 SENATOR KRUEGER: Met Council on
16 Jewish Poverty.
17 SENATOR HAMILTON: Met Council on
18 Jewish Poverty.
19 MS. MESICK: Yes.
20 SENATOR HAMILTON: Is the UJA still
21 giving them funding?
22 MS. MESICK: Yes, we consider the Met
23 Council to be -- continue to be part of our
24 network. We were actively involved in the --

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1 kind of the questions about programs and how
2 we sustain programs.
3 Again, our focus is on the people who
4 are receiving services by these agencies.
5 And we want to do our best to assure smooth
6 transitions and support for important
7 programs and the agencies that provide them.
8 SENATOR HAMILTON: Thank you for being
9 here, and thank you for doing the great work
10 in our community.
11 MS. MESICK: Thank you so much.
12 CHAIRMAN DeFRANCISCO: Senator
13 Krueger.
14 SENATOR KRUEGER: Thank you. Thank
15 you, Edie. Thanks for sitting here all day.
16 Is there any funding now for the
17 Health-Related Legal Services Program?
18 MS. MESICK: There is not.
19 SENATOR KRUEGER: So how do we have 67
20 sites?

21 MS. MESICK: Isn't that wonderful?
22 And the answer is that that's a
23 fluctuating number, because the way that it's
24 been able to be done is with philanthropy,

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1 with a certain amount of in-kind support
2 that's been provided by the health provider
3 themselves. And also the legal services
4 programs that you otherwise fund provide some
5 of the legal support for the programs.

6 SENATOR KRUEGER: So probably it's
7 hospital-based, where they recognize that
8 helping their very-low-income patients deal
9 with the myriad legal issues that could be
10 adding to at minimum their stress and at
11 maximum their crisis of having no home to go
12 when they're hospitalized --

13 MS. MESICK: And even specifically
14 their health. If the issue is repeated
15 asthma and the issue is that the landlord
16 isn't straightening out mold problems in the
17 house, that's something that these programs
18 can address.

19 SENATOR KRUEGER: And might you be
20 able to provide me at a later date the list
21 of where these sites are?

22 MS. MESICK: That would be my
23 pleasure.

24 SENATOR KRUEGER: Thank you very much.

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1 MS. MESICK: Thank you.

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CHAIRMAN DeFRANCISCO: Thank you.

And before we close the meeting, I'd like to thank the two stenographers that had to write down every single word from 9:30 to 5:20. And thank you very much.

And we are now adjourned till tomorrow morning at 9:30 to start another hearing, on housing. Thank you.

SENATOR KRUEGER: Thank you.

(Whereupon, at 5:20 p.m., the budget hearing concluded.)

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