

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

3 -----

4 JOINT LEGISLATIVE HEARING

5 In the Matter of the
6 2018-2019 EXECUTIVE BUDGET ON
7 HUMAN SERVICES

8 -----

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

12 February 6, 2018
13 10:09 a.m.

14

15 PRESIDING:

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

18 Assemblywoman Helene E. Weinstein
19 Chair, Assembly Ways & Means Committee

20 PRESENT:

21 Senator Liz Krueger
22 Senate Finance Committee (RM)

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

25 Senator Diane Savino
26 Vice Chair, Senate Finance Committee

27 Assemblywoman Ellen Jaffee
28 Chair, Assembly Children and Families
29 Committee

30 Senator James Tedisco
31 Chair, Senate Committee on Social Services

32 Senator Velmanette Montgomery

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4 Assemblyman Andrew Hevesi
Chair, Assembly Committee on Social
5 Services

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

7
Senator Susan Serino
8 Chair, Senate Committee on Aging

9 Assemblyman Michael G. DenDekker
Chair, Assembly Committee on Veterans' Affairs
10

Assemblywoman Michele R. Titus
11 Chair, Assembly Labor Committee

12 Senator Marisol Alcantara
Chair, Senate Committee on Labor

13 Assemblywoman Patricia Fahy

14 Senator Timothy Kennedy

15 Assemblyman Harry B. Bronson

16 Senator Roxanne J. Persaud

17 Assemblyman David I. Weprin

18 Assemblyman William Colton

19 Senator Simcha Felder

20 Assemblyman Andy Goodell

21 Assemblywoman Earlene Hooper

22 Senator James Sanders

23 Assemblywoman Tremaine Wright

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1 CHAIRWOMAN WEINSTEIN: Good morning.

2 I'm Helene Weinstein, chair of the
3 New York State Assembly's Ways and Means
4 Committee, and cochair of today's hearing.

5 Today we begin the ninth in a series
6 of hearings conducted by the joint fiscal
7 committees of the Legislature regarding the
8 Governor's proposed budget for fiscal year
9 2018-2019. The hearings are conducted
10 pursuant to the New York State Constitution
11 and the Legislative Law.

12 Today the Assembly Ways and Means
13 Committee and the Senate Finance Committee
14 will hear testimony concerning the Governor's
15 budget proposal for human services.

16 I'll now introduce the members of the
17 Assembly, and Senator Young, chair of the
18 Senate Finance Committee, will introduce
19 members from the Senate. And our ranker on
20 Ways and Means, Bob Oaks, will introduce
21 members from his conference.

22 So we have Assemblywoman Tremaine
23 Wright; Assemblywoman Michele Titus;
24 Assemblywoman Donna Lupardo, chair of our

1 Aging Committee; Assemblyman Hevesi, chair of
2 our Social Services Committee; and
3 Assemblywoman Jaffee, chair of our Children
4 and Families Committee.

5 CHAIRWOMAN YOUNG: Thank you,
6 Chairwoman.

7 Good morning, everyone. I'm Senator
8 Catharine Young. And as was said, I'm chair
9 of the Senate Standing Committee on Finance.
10 And I'm very pleased today that we're joined
11 by the vice chair of Finance, and that's
12 Senator Diane Savino; our ranking member,
13 Senator Liz Krueger; Senator James Tedisco,
14 Senator Tim Kennedy, and Senator Roxanne
15 Persaud, who is ranking member on Social
16 Services and the Committee on Children and
17 Families.

18 And I wanted to extend a very good
19 morning to Commissioner Poole. Thank you for
20 being here.

21 ACTING COMMISSIONER POOLE: Thank you.

22 Good morning, Chairwoman Young --

23 ASSEMBLYMAN OAKS: Excuse me, we'll
24 just introduce Assemblyman Goodell --

1 ACTING COMMISSIONER POOLE: Certainly.

2 ASSEMBLYMAN OAKS: -- who's also with
3 us. Thank you.

4 CHAIRWOMAN WEINSTEIN: And before you
5 start, I just want to remind both the
6 witnesses who will be testifying today, and
7 the members, to keep your eye on the
8 countdown clock.

9 And also a reminder to witnesses that
10 we have your electronic testimony; we'd
11 appreciate as much as possible to summarize
12 your remarks to allow time both for questions
13 and your answers as well as to make sure the
14 people at the very end of the list have an
15 attentive audience by the time we get to you.

16 Now, thank you, Commissioner Poole --
17 acting commissioner, I guess, New York State
18 Office of Children and Family Services.

19 ACTING COMMISSIONER POOLE: Good
20 morning, Chairwoman Young, Chairwoman
21 Weinstein, Chairwoman Jaffee and
22 distinguished members of the Senate and
23 Assembly. My name is Sheila Poole. I'm the
24 acting commissioner of the Office of Children

1 and Family Services. And I look forward to
2 this opportunity to discuss the highlights of
3 this year's proposed budget for OCFS.

4 Although we're in a challenging fiscal
5 environment, I'm pleased that the Executive
6 Budget continues to provide a stable base of
7 funding for our state's court child welfare,
8 juvenile justice, and childcare programs.
9 The Executive Budget maintains \$635 million
10 for child welfare services, which enables us
11 to continue to provide a substantial
12 62 percent state-share reimbursement of local
13 child welfare costs. This funding supports
14 vital prevention and intervention services
15 statewide and ranks New York among the top in
16 state support of local child welfare
17 services.

18 The Executive Budget includes funding
19 for the Foster Care Block Grant at
20 \$383.5 million, which will maintain essential
21 funding support for foster care services,
22 including kinship/guardianship programs.

23 This funding level reflects the
24 dramatic decrease in the foster care

1 population over the past 20 years. The
2 number of children in foster care in New York
3 State has dropped from a high of 56,000 in
4 1995 to under 17,000 at the end of 2017.

5 Even with some counties experiencing
6 an uptick in foster care placements due to
7 the opioid epidemic, the overall number of
8 children in foster care in New York continues
9 to decline, unlike the upward trend in foster
10 care placements being felt in many states
11 across the country.

12 In keeping with his pledge to provide
13 100 percent of costs related to Raise the Age
14 for counties that are under the tax cap or
15 are experiencing fiscal hardship, the
16 Governor has included \$100 million to
17 reimburse counties for implementation costs.
18 In addition, the budget proposal includes
19 funding to support capital projects at both
20 the state and local level, to grow needed
21 capacity in the juvenile justice system.

22 The Executive Budget also provides
23 OCFS with the authority to close the Ella
24 McQueen Reception Center in Brooklyn. This

1 facility has been substantially underutilized
2 at a great cost to taxpayers. The
3 administration is committed to avoiding any
4 layoffs for the 58 employees who work there.

5 The Governor's budget helps ease the
6 cost of childcare for working families by
7 restoring the childcare subsidy program to
8 \$806 million, and New York continues to rank
9 among the highest in the country in using its
10 federal dollars for direct subsidy support
11 for working families.

12 This year's budget proposes to add an
13 additional \$10 million to the Empire State
14 After-School Program. With this new round of
15 funding, not-for-profits and school districts
16 will be eligible to apply. And we anticipate
17 being able to create 6200 more slots targeted
18 at homeless children and children living in
19 areas of Long Island impacted by gang
20 activity.

21 The budget includes the continuation
22 of \$17 million for the Advantage After-School
23 Program. And between the Empire State
24 After-School Program and the continuation of

1 the Advantage After-School, we will bring
2 New York State to its highest level of
3 after-school programming in the state's
4 history.

5 As you know, the Governor signed the
6 childcare task force bill into law. The
7 formation of this group reflects an
8 understanding that we need to analyze the
9 availability of childcare, assess
10 affordability, and identify potential new
11 solutions for this crucial support for
12 working families. Once the chapter amendment
13 is enacted and the membership is appointed,
14 this important work will get underway.

15 I am proud to be a cochair of that
16 task force. I'm excited about the
17 conversations that we will have. And we're
18 all keenly aware of how important this issue
19 of childcare is to New York's families.

20 So thank you again for the opportunity
21 to address you, and I look forward to your
22 comments and questions.

23 CHAIRWOMAN WEINSTEIN: Thank you. And
24 we'll go to our Children and Families chair,

1 Ellen Jaffee, for the first round of
2 questions.

3 ASSEMBLYWOMAN JAFFEE: Thank you,
4 Commissioner. I am so pleased that the
5 Governor has signed the legislation that I
6 sponsored, so that we can move forward and
7 really have a much more in-depth
8 understanding of childcare issues within our
9 state so that we can respond appropriately so
10 that our children and families have a
11 significant opportunity with childcare. And
12 that's a conversation that is essential.

13 On that note, I understand that the
14 childcare market rate survey is currently
15 being conducted and that the analysis of the
16 data will actually begin this month. While,
17 you know, it's obviously too early to have
18 actual market rate data, do you have any
19 sense or do you think it's unlikely that the
20 market rate -- or likely that the market rate
21 will increase as it has in prior years?

22 ACTING COMMISSIONER POOLE: So it's
23 hard to say today, Assemblywoman, as to what
24 the summary of the market rate survey will

1 be.

2 You know, the one thing that we are
3 sensitive to is that this market rate survey
4 will begin to pick up the impacts of minimum
5 wage on providers. So again, we'll have to
6 wait and see until all those survey results
7 come in and do that analysis.

8 ASSEMBLYWOMAN JAFFEE: Well, if -- is
9 there a clear explanation of how the new and
10 expected increase in rates -- will it be --
11 you know, in terms of being financed, since
12 it will be completed outside of the budget of
13 this year? So how we'll be able to move
14 forward and respond to that financially.

15 ACTING COMMISSIONER POOLE: That's a
16 great question.

17 So the new market rates will take
18 effect in October of this year, so it's not
19 like we will be needing to look at a whole
20 year of funding. But you're right, the
21 current Executive Budget does not contemplate
22 additional market rate money, and we have to
23 take many things one step at a time, given
24 our current fiscal situation, and consider

1 all the options that we have once we know
2 what the market rate survey, you know, brings
3 to us.

4 ASSEMBLYWOMAN JAFFEE: So how will we
5 be able to respond to that in terms of -- if
6 we're not prepared, will that cause a cut in
7 the slots in terms of childcare availability
8 slots? You know, would reducing the market
9 rate -- which, as you know, allows providers
10 to support themselves -- and then also be
11 able to be receiving subsidizing childcare,
12 the ability to access quality care will
13 become an issue as well.

14 So how can we find a way, a path,
15 towards responding appropriately so that we
16 can assure that there is stability within
17 childcare programs and opportunities to
18 assure that there are childcare slots?

19 ACTING COMMISSIONER POOLE: I wish I
20 had a better answer, sitting here this
21 morning, Assemblywoman. As you said, there's
22 limited choices immediately that is, you
23 know, either more funding or decreasing the
24 percentile rate that we pay, which is now

1 69 percent of the market rate.

2 You know, and again I think it's a
3 continual challenge for us, right, in the
4 area of childcare, given that we are not
5 getting any increases from the federal
6 government to support, you know, the cost of
7 increasing market share or CCDBG, for that
8 matter. So it forces states like us to have
9 those tough conversations.

10 I also think that -- you know,
11 hopefully the task force which will be
12 underway, right, sooner rather than later --
13 that I think this is one of those issues
14 that's before us immediately, and perhaps
15 there are some creative options and ideas
16 that might spring forth out of the task
17 force.

18 But I do appreciate that it will be a
19 challenge for us.

20 ASSEMBLYWOMAN JAFFEE: Maybe within
21 that context we can work together and provide
22 more funding within the budget to be able to
23 consider the response to what may happen in
24 the market rate.

1 Do you think that there is
2 consideration at all being given maybe to
3 take the market rate to the 75th percentile?
4 Which would then actually respond to what the
5 federal government is suggesting it should
6 be.

7 ACTING COMMISSIONER POOLE: That would
8 be a great goal to achieve, Assemblywoman.

9 ASSEMBLYWOMAN JAFFEE: Yes.

10 ACTING COMMISSIONER POOLE: Again, it
11 will be challenging, given our current
12 fiscal --

13 ASSEMBLYWOMAN JAFFEE: Well, we know
14 how essential it is for our families to have
15 access to quality childcare. And this is
16 really economic development as well, in terms
17 of small businesses and jobs, not only for
18 the childcare providers but for families to
19 be able to have the stability in their jobs
20 if their children are safe and in
21 environments that really provide them with
22 social and educational skills as they mature.

23 Several other questions. Last week,
24 the Department of Economic Development, the

1 Commissioner, Howard Zemsky, when -- he
2 testified there had been childcare projects
3 funded through the Regional Economic
4 Development Councils. And as I've noted on
5 several occasions, childcare is an economic
6 development, actually, reality in terms of
7 small businesses and jobs and stability of
8 jobs.

9 So perhaps we can work together
10 with -- and the question is, would you
11 consider working with Commissioner Zemsky to
12 find innovative ways to expand funding for
13 childcare through economic development and
14 through the Economic Development Councils and
15 the kind of grants that they provide?

16 ACTING COMMISSIONER POOLE:

17 Absolutely. We welcome any and all partners
18 to the childcare table as we find, right, new
19 ways to increase affordability and access to
20 childcare.

21 And certainly, Assemblywoman, you
22 have, along with Assemblywoman Lupardo, you
23 know, drawn the connection to childcare and
24 its importance in terms of stability for

1 working families.

2 So I would welcome conversations with
3 ESD and other partners as well. And I think,
4 again, that membership as part of the task
5 force will really help us get there.

6 ASSEMBLYWOMAN JAFFEE: That's great.

7 And another issue -- as you know, I've
8 been focusing on this as well -- that
9 83 percent of the children that are actually
10 eligible for subsidies are not receiving them
11 in New York State. And this is something
12 that has really been of very serious concern
13 over the last couple of years, since we've
14 been focusing on the issues of childcare --
15 much more focused now, given what has been
16 occurring in the federal government as well
17 with the kind of requirements.

18 Is there any plans to expand the
19 funding so that those families that do
20 qualify for subsidies are given that
21 opportunity so these children are in
22 environments that are safe and productive as
23 well as the -- especially the women have the
24 opportunity to maintain their jobs? And it

1 is so essential for those in poverty to have
2 that access, to be able to be in those
3 positive environments. Is something being
4 considered to respond to that in terms of
5 increasing the subsidy opportunities?

6 ACTING COMMISSIONER POOLE: So, you
7 know, that issue of increasing access, right,
8 is something that we have struggled with as a
9 state. It is one of the top two topics for
10 us to be working on together in the task
11 force.

12 You know, the other thing I would also
13 say, Assemblywoman, is that there are other
14 programs along the early children continuum
15 that, again, you know, with all due respect
16 to access to childcare programs, I think do
17 offer additional support to working families.
18 So the investments in the after-school
19 programs, you know, that we have now. I
20 mean, we're building 44,000 slots that will
21 be available, assuming the additional
22 \$10 million is supported, you know, in the
23 budget. There's tax credits that remain.

24 So I think where we have been able to,

1 through other funding streams, sort of fill
2 in some of the blanks to have options
3 available for families, you know, we're
4 trying to do that.

5 ASSEMBLYWOMAN JAFFEE: Yeah, we've had
6 roundtables in various areas around the state
7 to be able to address some of these issues
8 and listen to the concerns. And it is
9 something that's very serious and we need to
10 respond to, to assure that the children are
11 in comfortable environments but also the
12 businesses are able to be sustained -- to
13 sustain their businesses as well as people
14 being able to maintain their jobs as well.

15 We wondered whether -- you know, there
16 have been various counties and towns that
17 actually are maintaining waiting lists. And
18 some are choosing not to do that. But
19 wouldn't that be -- would that be more
20 helpful, if there were those lists available,
21 to be able to assure that we understand what
22 the reality is, what the need is, and maybe
23 we could then be responsive in a more
24 positive way?

1 ACTING COMMISSIONER POOLE: You know,
2 this does come up every year when we're
3 together. And it is true, I mean,
4 maintaining waiting lists is an option, you
5 know, for local Departments of Social
6 Services. There are some districts who do
7 maintain those.

8 But the truth of the matter is that
9 waiting lists are notoriously unreliable.
10 Families may place their names on a waiting
11 list, they may move to another county or out
12 of state and families, they don't have time
13 to go back and take their name off of, you
14 know, a waiting list. Or their child, right,
15 might have signed up for part-day daycare but
16 might have gone to an after-school or
17 school-age childcare program. And again,
18 they are unreliable.

19 I think we do have to find other ways,
20 Assemblywoman. And hopefully we can do this
21 together in the coming months, you know, to
22 really better understand, is that 17 percent
23 or that 22 percent data point that we've
24 talked about for a number of years, is that

1 really right, is it higher, is it lower? And
2 I'm not sure that we could say with absolute
3 certainty, you know, as we sit here today
4 that 17 or 22 is the right number. But I
5 think we have to work together to figure out
6 how do we get better, rich, reliable data
7 that really informs us.

8 CHAIRWOMAN WEINSTEIN: Thank you.

9 ASSEMBLYWOMAN JAFFEE: Thank you.

10 Just two more questions, quickly --

11 CHAIRWOMAN WEINSTEIN: Why don't you
12 come back for --

13 ASSEMBLYWOMAN JAFFEE: Come back?

14 CHAIRWOMAN WEINSTEIN: Yes.

15 ASSEMBLYWOMAN JAFFEE: Yes, okay.

16 Thank you, Commissioner.

17 ACTING COMMISSIONER POOLE: Thank you.

18 CHAIRWOMAN YOUNG: Thank you. We've
19 been joined by Senators Simcha Felder and
20 Velmanette Montgomery.

21 And Commissioner, welcome again. Glad
22 to see you. And I commend Assemblywoman
23 Jaffee for her questions on childcare, and
24 I'd like to follow up on some of those

1 issues.

2 Now, you and I have had discussions in
3 previous years about the new federal
4 childcare requirements, which are very
5 concerning. And as you know, the federal
6 Childcare and Development Block Grant Act,
7 and it was in 2014, imposes several new
8 requirements on the state and childcare
9 providers, including increased inspections
10 and enhanced criminal background checks and
11 training requirements for employees.

12 Early estimates for the cost of
13 implementing these changes totaled about
14 \$90 million. However, the full implications
15 of the new federal requirements become more
16 clear as we go, and this estimate has
17 actually ballooned to approximately
18 \$555 million, and I fear that we're not done
19 yet. Given the unlikeliness of additional
20 funding from the federal government, I'd like
21 to ask you several questions.

22 So first of all, has OCFS estimated
23 what the potential impact of this will be on
24 the available number of subsidy slots? And I

1 know that Assemblywoman Jaffee asked a little
2 bit about that. But have you done any kind
3 of analysis?

4 ACTING COMMISSIONER POOLE: Sure. So
5 if I could, Senator, just to say that, you
6 know, we have been waiting for our
7 \$500 million from the federal government to
8 help us implement all the provisions of
9 CCDBG, and it has not arrived yet. So we
10 have continued to stay the course, which is
11 the right course for New York, in maintaining
12 our subsidy dollars for working families, now
13 restored to \$806 million.

14 To your specific question, Senator, if
15 we were to go ahead within our existing
16 resources and implement all the provisions of
17 CCDBG, which again, just to be clear, we are
18 philosophically in support of the underlying
19 principles of CCDBG. It's not like there was
20 any disagreement; it's all about health and
21 safety. It's a matter of having money to
22 implement them.

23 But if we were to proceed and
24 implement CCDBG within our current funding

1 streams, we estimate that the unintended
2 impact of doing so would result in between
3 65,000 and 70,000 families not having access
4 to new childcare slots because of the impacts
5 of the guaranteed eligibility and the
6 graduated phaseout.

7 CHAIRWOMAN YOUNG: Thank you,
8 Commissioner.

9 So what have the conversations with
10 the federal government -- what have they been
11 like? Because -- are they just not getting
12 back, they're not sending the money, are you
13 raising concerns about the costs of
14 compliance and the fact that we would lose
15 slots? How is that going.

16 ACTING COMMISSIONER POOLE: We've done
17 all of the above.

18 And as many of you will recall, this
19 federal law allowed states to take advantage
20 of waivers. So we've been taking advantage,
21 as have many states, of those waivers that
22 are available to us. We have continued to
23 watch other states who have taken steps to
24 comply fully, and they're seeing -- you know,

1 they are experiencing exactly what we have to
2 avoid here in New York State, which is to
3 shut down the front door of access to subsidy
4 for working families. Waiting lists are
5 exploding in other states.

6 So I think frankly, Senator, the
7 federal government is struggling with what to
8 do next. There are so many states who have
9 not been able to implement all the provisions
10 of CCDBG. And of course we've certainly made
11 our challenges here in New York State very
12 clear to our federal partners.

13 CHAIRWOMAN YOUNG: And as you know so
14 well, there already is a shortage of
15 childcare providers in the state. And then
16 piled on top of that is the fact that we are
17 grappling with a multi-billion-dollar deficit
18 this year. So has OCFS tried to identify
19 additional sources of funding?

20 ACTING COMMISSIONER POOLE: Well,
21 we've restored, you know, the \$7 million that
22 we did have last year. And I think looking
23 at additional sources of funding leads us
24 right back to some of the opportunities that

1 may come at us with, you know, the childcare
2 task force.

3 But, you know, we put various pools of
4 money into our childcare pot. So not only do
5 we have the federal CCDF funding, we use TANF
6 funding, there's Title XX funding. So
7 wherever we can grab and pull from federal
8 funding streams, in addition to the local
9 maintenance effort, that's why we're able to
10 have about a billion-dollar childcare
11 program.

12 But we're going to have to get pretty
13 creative to think of other sources.

14 CHAIRWOMAN YOUNG: Right, and I agree
15 with that, commissioner. But it's pretty
16 worrisome that we have this \$555-million-plus
17 figure to deal with. And my concern is,
18 where is that money going to come from? And
19 if it's put on the providers, I believe that
20 it will price people from being able to
21 afford to work.

22 So could you give your thoughts on
23 that?

24 ACTING COMMISSIONER POOLE: Well, like

1 I said, we are continuing to take advantage
2 of the waivers with the federal government.
3 To your exact point, we have refused to put,
4 you know, the price of implementation of this
5 bill on the backs of providers or on the
6 backs of New York's working families.

7 So we're going to have to keep working
8 our way, inch by inch, ahead with the federal
9 government and see what extensions might be
10 able to be provided to us.

11 As you are probably aware, just -- I
12 think it was last week the new HHS Secretary
13 was appointed. We're going to be reaching
14 out to his office, asking that they undertake
15 a review of the regulations related to CCDBG,
16 which it is our assessment in New York State
17 that the actual regulations that were
18 promulgated two years after the law's
19 enactment actually were an overreach of the
20 federal statute. So we're going to be asking
21 Secretary Azar to really take a look at CCDF
22 and to really deeply understand the impact of
23 that bill, absent federal funding, on a state
24 like New York.

1 CHAIRWOMAN YOUNG: So the fear is that
2 several of the providers will have to close.
3 And what support or assistance does OCFS give
4 to providers if they're in danger of closing?

5 ACTING COMMISSIONER POOLE: That's a
6 great question.

7 You know, through our regional
8 offices, through our own childcare staff as
9 well as through our CCR&Rs, our Child Care
10 Resource and Referral agencies, we can
11 provide a lot of technical assistance to
12 daycare providers, looking at their budgets,
13 looking at their staffing levels -- again, to
14 provide whatever assistance we can to avoid a
15 closure. None of us want to be losing
16 providers. We need more of them. And I
17 think we do a pretty good job of trying to
18 work with providers to ensure that they're
19 able to stay in business.

20 CHAIRWOMAN YOUNG: That's really good
21 to hear. And then the flip side of that
22 question is, what do we do to try to
23 encourage new providers? Is there any kind
24 of outreach program or recruitment program

1 that OCFS undertakes?

2 ACTING COMMISSIONER POOLE: Well,
3 again, I think we do that largely through our
4 CCR&R programs, which are in communities, so
5 they have a good understanding, because they
6 are localized, about when families are
7 seeking childcare, what kind of providers
8 might be needed.

9 And again, you know, we certainly
10 support a lot of legally exempt and
11 family-based providers across our state as
12 well.

13 CHAIRWOMAN YOUNG: And as you know, we
14 have vast expanses of rural areas across
15 New York State. And while we have a
16 shortage, I believe, of childcare providers
17 who are qualified everywhere in the state, is
18 the process to try to locate new providers
19 different in rural areas than it is in urban
20 areas?

21 ACTING COMMISSIONER POOLE: I don't
22 believe so, Senator. I think we really try
23 and when we -- you know, when we know that
24 there's an unmet need, you know, we try and

1 get out there and do whatever we can to
2 promote it. You know, our website, our
3 regional offices. We have a very hands-on
4 approach with providers.

5 And actually one of the things that
6 we've done in recent years, we took a look at
7 how long it was taking us at OCFS to really
8 process a childcare application. And the
9 truth is, it was taking us far too long. So
10 we went through a business process,
11 reengineering. And we have really
12 dramatically decreased the amount of time
13 that it takes for a provider to become
14 licensed.

15 So we've gotten very involved.
16 There's a lot of technical assistance that we
17 are providing, because we see ourselves
18 having a really key role in helping folks
19 understand the application process and all of
20 the rules and regulations that they'll need
21 to comply with.

22 CHAIRWOMAN YOUNG: Thank you for that
23 answer.

24 How many families are currently

1 receiving subsidies in New York?

2 ACTING COMMISSIONER POOLE: In 2017,
3 there were about 112,000 families and about
4 186,000 children who received subsidy.

5 CHAIRWOMAN YOUNG: Thank you.

6 Has the federal government established
7 a time period over which a family subsidy
8 must be phased out? And if they have, what's
9 the time frame?

10 ACTING COMMISSIONER POOLE: I'm not
11 aware of that.

12 CHAIRWOMAN YOUNG: Okay, thank you.

13 How many counties in the state
14 currently redetermine eligibility on a
15 12-month basis?

16 ACTING COMMISSIONER POOLE: I'm not
17 certain of that, Senator.

18 CHAIRWOMAN YOUNG: Could you try to
19 get that for us?

20 ACTING COMMISSIONER POOLE: Certainly.
21 Happy to.

22 CHAIRWOMAN YOUNG: That would be very
23 helpful. Because -- what I'd also like to
24 know is for those counties that don't

1 currently do that, are there any estimates of
2 what costs to the county, if any, would be
3 involved with coming into compliance with the
4 requirement? I think that would be helpful
5 for the Legislature to have that information.

6 ACTING COMMISSIONER POOLE: I'd be
7 happy to get that.

8 CHAIRWOMAN YOUNG: Okay. Thank you.
9 I'm out of time. I have several other
10 questions regarding other topic areas, but
11 I'll come back.

12 CHAIRWOMAN WEINSTEIN: So before we go
13 to our next member for some questions, we've
14 been joined by Assemblyman Bronson,
15 Assemblywoman Fahy, and Assemblyman
16 DenDekker, our Veterans chair.

17 And now we go to Assemblyman Goodell.

18 ASSEMBLYMAN GOODELL: Thank you very
19 much. I have just a couple of quick
20 questions, I think.

21 One is dealing with the foster care
22 funding. You pointed out that the number of
23 children in foster care is at a 20-year low,
24 which I think is probably good news. Can you

1 give us an idea, in terms of your sense, is
2 that a reduction in the number of foster kids
3 entering the system or an increase in
4 reunification with their families or an
5 increase in adoptions? What is your sense?

6 ACTING COMMISSIONER POOLE: I actually
7 think it's the first one, more so than the
8 other. I mean, obviously we always work
9 toward permanency for those kids who are
10 currently in foster care, and certainly
11 adoptions. But I think the truth is given
12 New York State's long, rich history of having
13 primary prevention services at the local
14 district level, the rich reimbursement we
15 give them, I think that's really been
16 instrumental in really what sets New York
17 State apart from virtually every other state
18 in the country who does not give localities
19 that kind of reimbursement.

20 So that when a family comes to the
21 attention of the child welfare system -- and
22 again, as you know, it's at a local level
23 here -- they have it there at their disposal,
24 an array of preventive services, again to try

1 and keep children safely with their families
2 in the community.

3 ASSEMBLYMAN GOODELL: And are you
4 tracking that data?

5 ACTING COMMISSIONER POOLE: Yes, of
6 course.

7 ASSEMBLYMAN GOODELL: Are you tracking
8 the number of new admissions compared --

9 ACTING COMMISSIONER POOLE: Yes, we
10 do. We sure do.

11 ASSEMBLYMAN GOODELL: Presumably you
12 could give me that data?

13 ACTING COMMISSIONER POOLE: Happy to.
14 Yes, we can provide you with that data.

15 ASSEMBLYMAN GOODELL: That would be
16 great.

17 We have legislation that's pending
18 that would expand the authority of a Social
19 Services Department to maintain longer-term
20 foster cares. You know, under the current
21 program they're required to bring proceedings
22 to terminate parental rights if the child has
23 been in foster care for 15 out of the last 22
24 months, with certain exceptions. And there's

1 legislation that is pending that would
2 increase the number of exceptions to include
3 longer foster-care placement if the child is
4 not with their parents due to deportation
5 proceedings or immigration proceedings. Has
6 your agency calculated what the potential
7 costs of that would be to the state if we
8 were going to implement extended foster care
9 in those situations?

10 ACTING COMMISSIONER POOLE: Yeah, I'm
11 not familiar with that legislation that you
12 reference, Assemblyman. But any information
13 that I can provide to your office outside of
14 the hearing, I'd be happy to do that.

15 ASSEMBLYMAN GOODELL: That's great.

16 By the way, it's Assembly A339.

17 ACTING COMMISSIONER POOLE: Okay.

18 ASSEMBLYMAN GOODELL: The second
19 question I had, as you know, we made a
20 commitment as part of raising the age to
21 reimburse counties a hundred percent of the
22 cost of implementation, but there was a
23 caveat. And that is that it would only apply
24 to those counties that were under their tax

1 cap or facing fiscal hardship.

2 Can you give me an idea how many
3 counties are over their tax cap? And what
4 would be the fiscal implementation if we
5 eliminated that restriction on reimbursement?

6 ACTING COMMISSIONER POOLE: So it is
7 my understanding, Assemblyman, that there are
8 very, very few counties, based upon the last
9 county-enacted budget, that are not complying
10 with the tax cap.

11 And further, you know, it's the
12 intention of the appropriation language in
13 Raise the Age that even if they are, that
14 they can appeal and apply for a hardship
15 waiver, you know, to discuss how
16 implementation of the Raise the Age, among
17 other factors and variables going on at the
18 county level, you know, requires them to need
19 additional state support in order to
20 implement Raise the Age.

21 So the appropriation language that's
22 in the bill is very specific and detailed
23 with respect to the kinds of incremental
24 Raise the Age costs that we want counties to

1 put down in their plan. That plan will be
2 reviewed by the state agencies who are
3 involved in implementing Raise the Age, and
4 that plan will be subject to final approval
5 by the State Division of the Budget director.

6 ASSEMBLYMAN GOODELL: My concern, of
7 course is if a county's facing fiscal
8 stress -- and maybe not at a hardship level,
9 but a fiscal stress -- and can't stay below
10 the cap, then it's a double whammy to the
11 taxpayers, because not only do the taxpayers
12 have to pay more than the tax cap, but we
13 also cut our funding to them for some of
14 these critical services.

15 So I would appreciate your comments.
16 My questioning is out of time, but I would
17 appreciate your comments on how many counties
18 have applied and received a waiver and what
19 the fiscal impact would be if we eliminated
20 that cap reference.

21 Thank you, by the way, for your
22 testimony.

23 ACTING COMMISSIONER POOLE: Of course.

24 CHAIRWOMAN YOUNG: Thank you.

1 Our next speaker is Senator Felder.

2 SENATOR FELDER: Good morning. I just
3 want -- I have no question, I just wanted to
4 take the opportunity to thank you. It
5 seems -- I used to chair Children and
6 Families, and since I no longer chair it, I
7 think the agency has been doing a lot better.

8 (Laughter.)

9 SENATOR FELDER: So I wanted to just
10 take the opportunity to thank you and your
11 staff for some of the issues that we've been
12 working on recently.

13 ACTING COMMISSIONER POOLE: I
14 appreciate your comment, Senator, and we look
15 forward to continuing our work with your
16 office. So thank you.

17 CHAIRWOMAN YOUNG: Thank you, Senator.

18 CHAIRWOMAN WEINSTEIN: Assemblywoman
19 Lupardo.

20 ASSEMBLYWOMAN LUPARDO: Yes, thank you
21 very much. Commissioner, it's nice to see
22 you.

23 A comment and a quick question. I
24 mean, it's just really great to see our

1 attitudes about childcare evolving so that
2 it's no longer just segmented into this one
3 area, that we really see it as an economic
4 development issue, that we're having a bunch
5 of people at the table, and I trust business
6 folks will be at this task force as well.
7 That was really important to us.

8 And it dovetails so well into our
9 antipoverty initiative. And childcare is
10 just so central. Workforce
11 development challenges -- I'm preaching to
12 the choir. So congratulations, and we're
13 really looking forward to being involved with
14 that. And I'm glad you're going to be, as
15 you said, cochairing that.

16 I have one question about
17 after-school. Last year the Empire State
18 After-School Program allocated a nice amount
19 of money -- unfortunately, a federal poverty
20 standard was used that allowed for the City
21 of Binghamton, for example, to eligible, yet
22 Johnson City and Endicott, which are right on
23 their borders, weren't eligible but for a few
24 dollars' difference in their poverty

1 standards.

2 So it was very tough, because it's an
3 urban center that shares very common
4 challenges and a high level of poverty, so we
5 were surprised.

6 Just curious if you know how this
7 expanded version will impact school districts
8 that weren't eligible last time. It does
9 expand to nonprofits and school districts.

10 ACTING COMMISSIONER POOLE: You know,
11 I appreciate your comments, Assemblywoman.
12 You know, the funding actually comes through
13 the State Education Department and is
14 suballocated to OCFS. So we've worked very
15 closely with the State Education Department.

16 I don't have a specific answer to your
17 question, but I'm happy now that we will have
18 this opportunity, hopefully, to have an
19 additional \$10 million really to explore what
20 other options there are in terms of the
21 poverty index.

22 ASSEMBLYWOMAN LUPARDO: Yeah, I would
23 implore you to look at how that's being
24 calculated so that some districts that really

1 are so well deserving and who are very poor
2 districts would be eligible this time. So
3 that's all.

4 ACTING COMMISSIONER POOLE: Appreciate
5 your comments.

6 ASSEMBLYWOMAN LUPARDO: Thank you.

7 CHAIRWOMAN WEINSTEIN: Senate?

8 CHAIRWOMAN YOUNG: Our next speaker is
9 Senator James Tedisco, who is chair of the
10 Social Services Committee.

11 SENATOR TEDISCO: Thank you,
12 Commissioner, for being here, and thank you
13 for your testimony.

14 Just getting back to foster care,
15 child placement, you mentioned nationally
16 it's up about -- I don't think you did the
17 statistics -- about 8 percent over 400,000
18 placements. But one of the things they cite
19 as a reason that has increased from 2012 to
20 2015 -- about 28 percent, they project, in
21 2012 up to about 32 percent -- the reasoning
22 was parental opiate addiction.

23 Now, you say we've reduced in terms of
24 child placement in foster care. But do you

1 have any numbers or percentages in terms of
2 the opiate addiction as being a reason for
3 any placements in New York State?

4 ACTING COMMISSIONER POOLE: Yes. So
5 it is true that while our foster care numbers
6 are down across the state, that there are
7 certainly some counties in particular who are
8 seeing an uptick in foster care placements,
9 really directly related to the opioid crisis.

10 We've also seen at the State Central
11 Registry -- so that's our hotline that we
12 process about 300,000 calls a year of
13 suspected abuse or maltreatment -- that the
14 percentage of allegations related to
15 substance abuse -- and again, we do not list
16 every type of drug, but just generally -- we
17 can see that the percentage of allegations of
18 maltreatment or neglect related to parental
19 substance abuse, and I think by extension the
20 opioid crisis, is also up.

21 So yes, it is absolutely, as we all
22 know and read in the papers, unfortunately,
23 here every day in New York, that that is
24 being felt among the child protective system

1 in a number of counties across the state.

2 SENATOR TEDISCO: And why would you
3 project that it's also going up nationally,
4 going up in New York State, that there's an
5 increase in that addiction being a reason?

6 ACTING COMMISSIONER POOLE: What I
7 thought you were asking me, Senator, is if
8 counties are experiencing, you know, an
9 impact of opioids in the child welfare
10 system.

11 SENATOR TEDISCO: Yes.

12 ACTING COMMISSIONER POOLE: And the
13 answer to that is yes.

14 SENATOR TEDISCO: And why would that
15 be?

16 ACTING COMMISSIONER POOLE: But even
17 with that, overall the number of children
18 entering foster care is not rising. So that
19 means that counties, when they're -- when
20 families who are struggling with addiction
21 and who have a child, and there's a concern
22 about how the parent is caring for them, that
23 rather than them just, you know, coming into
24 foster care, that they are bringing services

1 or getting mom or dad into treatment, right,
2 to keep the child out of foster care.

3 Which I think is -- it speaks to the
4 array of community-based services that we
5 have in New York State that many other
6 states, frankly, do not enjoy.

7 SENATOR TEDISCO: So the addiction is
8 increasing, but the dealing with it is better
9 in terms of --

10 ACTING COMMISSIONER POOLE: Exactly.
11 Exactly right, Senator.

12 SENATOR TEDISCO: -- working with it.
13 Well, credit us for that.

14 Just -- can I get back to the
15 cost-of-living adjustment that the Governor
16 continues and the second floor and the Budget
17 continues not to put in the -- denies the
18 appropriations.

19 How many direct care workers does this
20 affect, do you think, the lack of
21 cost-of-living adjustments?

22 ACTING COMMISSIONER POOLE: I don't
23 have an exact figure, Senator.

24 SENATOR TEDISCO: You realize that

1 we're -- although we've given a very large
2 middle-class tax cut, we're the
3 third-largest-taxed state in the nation. Our
4 budget is probably going to be beyond
5 \$160 billion this year. And one of the
6 executive orders that came from the second
7 floor was to give -- and I have nothing
8 against a good minimum wage for fast-food
9 workers, but in a couple of years it will be
10 up beyond \$15 or at \$15.

11 And the unintended consequences of
12 that are difficulties finding direct care
13 workers to stay in employment who are trained
14 very well to take care of some of the clients
15 that we're concerned about. In fact, they're
16 leaving to sit at cash registers at the
17 fast-food organizations. They're getting
18 burnout.

19 We're not sure some of our clients are
20 being cared for because of the challenge of
21 keeping, finding and having direct care
22 workers. Do you find that to be problem now?
23 And what do we tell young people who may want
24 to get into the human service field in this

1 industry who are looking at the fact that the
2 salaries are where they are and we're doing
3 executive orders to give fast-food workers
4 \$15? I don't know if we're really walking
5 the walk but talking the talk here, it seems
6 to me.

7 Do you see that impacting us being
8 able to get and retain workers in the field
9 of human services?

10 ACTING COMMISSIONER POOLE: Yeah, I
11 mean I think that, you know, there are a
12 number of industries that are impacted. And
13 human services is a very tough -- it's a
14 noble business that we're all in, but it's
15 tough work. And so, you know, absent the
16 direct care raise impacting OCFS, we, through
17 our typical rate structure -- so we pay our
18 providers through what's called an MSAR. So
19 last year -- and it is our plan to continue
20 to do it this year, to provide cost-of-living
21 increases again through that rate to the
22 provider.

23 So again, you know, I think, Senator,
24 it's one of those situations where we're

1 always doing things, in addition to passing
2 along rate increases or more money, trying to
3 promote a path of staff development, of
4 additional training, of providing trauma
5 supports to staff who find themselves in very
6 difficult situations with families.

7 So again, there's always more work to
8 be done, unfortunately. You know, Senator,
9 given our current fiscal environment and all
10 the other things we have to do, it's been a
11 challenge to get there.

12 SENATOR TEDISCO: Yeah. I understand
13 our fiscal environment. A part of that is
14 we're hoisted on our own petard. you know,
15 45 other states aren't really bothered by
16 what's happening at the federal government,
17 and that's problematic for us. But even when
18 we have a difficult budget year, projected
19 deficits, I think we have an obligation as
20 public servants to start any budget with our
21 most vulnerable. And in the human service
22 area, in many instances, we're dealing with
23 the most vulnerable who need our assistance.

24 So I think those salaries need to be

1 enhanced. I think we do need a
2 cost-of-living adjustment. And I think it
3 doesn't bode well for us to send a message
4 that -- although don't get me wrong, any job
5 is an important job. But these people are
6 trained, they're caring for our most
7 vulnerable. I think they love to do the work
8 they do. If they didn't have families, they
9 wouldn't be sitting at cash registers at
10 fast-food places, they'd be staying in the
11 business of serving the people that we should
12 start any budget to take care of and then
13 move from there.

14 So that's just my opinion on the whole
15 thing. Thank you so much for what you do for
16 what you have, though. Appreciate it.

17 CHAIRWOMAN WEINSTEIN: Assemblyman
18 Hevesi.

19 ASSEMBLYMAN HEVESI: Good morning,
20 Commissioner.

21 ACTING COMMISSIONER POOLE: Good
22 morning.

23 ASSEMBLYMAN HEVESI: How are you?

24 So let me start here. Two years ago

1 we sat in these exact same seats and while at
2 the time I believe I was right on the merits,
3 my tone was way out of line, I was actually
4 nasty when I questioned you. I apologized
5 the next day. I think every time I've seen
6 you since, I've apologized.

7 ACTING COMMISSIONER POOLE: You have.

8 ASSEMBLYMAN HEVESI: This will be the
9 last time I apologize. But on the record, I
10 was wrong and I'm sorry. I just wanted to
11 get that on the record.

12 ACTING COMMISSIONER POOLE: Well,
13 that's very gracious of you. Thank you.

14 ASSEMBLYMAN HEVESI: I'm maturing.
15 I'm trying.

16 (Laughter.)

17 ASSEMBLYMAN HEVESI: But what I was
18 doing wrong two years ago I believe is going
19 after you for something that was not your
20 decision.

21 So I am going to make a distinction
22 here today because the problem I have is I
23 feel it's my responsibility, as Social
24 Services chair, to give a macro-picture of

1 the budget -- and this goes for my friends at
2 OTDA as well; I'm going to have to do this as
3 well for them -- give a macro-picture of the
4 budget that sort of gets us to where we are
5 with these particular cuts.

6 And my questions to you will be about
7 preventative services and Close to Home. But
8 I need to get this out, I feel, on the
9 record. It's important for people to
10 understand the general budget. And I would
11 ask you not to defend it. Out of respect,
12 please don't defend this.

13 So here's where I see the state
14 budget. So since Governor Cuomo came into
15 office, he has imposed what he calls a
16 2 percent cap. I believe that cap does three
17 things. Number one, it intentionally hurts
18 the most vulnerable New Yorkers. Number two,
19 it explodes taxpayer spending in the
20 outyears. We're costing taxpayers way more
21 money. And then the third thing it does, it
22 misleads the public about the consequences of
23 the first two.

24 I think Governor Cuomo will be seen,

1 by the time he gets done, as one of the most
2 fiscally irresponsible governors in the
3 history of the State of New York, and let me
4 tell you how I get to that.

5 So the 65 percent of the state budget
6 that is covered by the 2 percent cap works
7 this way. It's only for people -- it's
8 education, it's healthcare, it's human
9 services and some other things. Education
10 and healthcare, by definition, grow at a rate
11 of 4 percent. Now remember, you have a
12 2 percent cap. Education and healthcare grow
13 at 4 percent. As a result, something's got
14 to be held at zero or get cut. It's always
15 human services. That includes childcare,
16 that includes the homeless, that includes
17 human trafficking victims, domestic violence
18 victims. It is always those people, the most
19 vulnerable, the people who can't fight for
20 themselves, that get hurt.

21 Your agency has been cut, since
22 Governor Cuomo took office, by 16 percent, in
23 my estimation -- or maybe that's what OTDA
24 is, and I think you're comparable. The most

1 vulnerable New Yorkers are always getting
2 hurt.

3 Plus -- let me get to this other part
4 and then I'll get to your questions. I'm
5 sorry, just let me get this out. So that's
6 the part about intentionally hurting the most
7 vulnerable New Yorkers.

8 On the flip side, we are spending at
9 rates that are not at 2 percent. If you look
10 at the Daily News today, the Citizens Budget
11 Commission actually has an article that says
12 we are spending, in this budget, at
13 4 percent. And last year we spent at
14 5 percent. And the reason we do that is the
15 Governor cost-shifts. So he pretends that
16 we're not spending certain items -- he moves
17 them from the 65 percent that he counts to
18 the other 35 percent he doesn't count. It is
19 a budget gimmick. We're actually spending at
20 5 percent.

21 Plus, Governor Cuomo is the only
22 Governor in the history of the State of
23 New York that doesn't count tax expenditures
24 as spending. He has increased tax

1 expenditures by \$1.5 billion since he came
2 into office.

3 Plus, capital expenditures -- and this
4 is a judgment that the Governor makes,
5 everybody can make their own opinion about
6 it -- he's spent more on capital than any
7 Governor in the history of the State of
8 New York. Anyone.

9 So we are intentionally hurting poor
10 people, we are blowing expenditures to
11 taxpayers, and then we're misleading the
12 public saying we have a 2 percent cap when
13 the 2 percent cap, in my estimation, is a
14 fraud.

15 Okay. I bring that here as a context
16 for this backdrop for the decisions that we
17 have to make at the human services table,
18 which are very difficult. And they're always
19 cuts.

20 Now let me get to the specific one,
21 and I want to make sure my tone is
22 appropriate this time. The one that is
23 scaring me the most is preventative services.
24 And feel free to jump in now because you know

1 this much better than I do. But here's where
2 I'm really nervous.

3 ACTING COMMISSIONER POOLE: Mm-hmm.

4 ASSEMBLYMAN HEVESI: In 1995, Governor
5 Pataki block-granted what your -- a similar
6 proposal, he did the same thing in 1995. The
7 result was the United Way of New York City
8 had the citizens committee for children
9 publish a study that actually says in the two
10 years since the implementation of the block
11 grant, reports of abuse and neglect have
12 increased, the number of children entering
13 foster care has begun to climb, children
14 entering care are reported to be more
15 severely disturbed and suffering from more
16 profound emotional and behavioral problems
17 that require more extensive services.

18 So the block-granting, by definition,
19 takes away from money from preventive
20 services that stop kids from getting into
21 foster care. So that policy scares me.

22 The state woke up, and I will point to
23 a study by OCFS, if I can find it -- there we
24 are -- that was done in June of 2002 where we

1 woke up and realized that, you know what,
2 block-granting is a mistake, and we changed
3 the policy and implemented landmark
4 legislation. It's called, according to OCFS,
5 the Child Welfare Financing Act. And that
6 allowed uninterrupted expenditures reimbursed
7 at 65 percent to the state. And as a result,
8 the localities have been putting in money to
9 preventive services. And that system has
10 worked. And that's why you were able to say,
11 hey, we've dropped the number of foster care
12 kids. It's a good system.

13 So my question to you is -- and I'll
14 have a number of questions -- why would we go
15 back to a capped system when we have evidence
16 that it didn't work in the past?

17 ACTING COMMISSIONER POOLE: So first
18 of all, Assemblyman, I appreciate your
19 comments and your passion for our work in
20 human services. I have to disagree with your
21 characterization of the budget cuts to OCFS
22 and the 17 percent. You know, I think the
23 fact pattern there is that in large part
24 those cuts were due to the fact that your

1 juvenile justice system had downsized quite a
2 bit, so we went through a couple of years
3 where we actually closed a number of
4 facilities across the state and accrued a lot
5 of savings.

6 There's also been changes in terms of
7 ITS and other initiatives where there have
8 been transfers of staff. So I just wanted
9 to --

10 ASSEMBLYMAN HEVESI: That's fine.

11 ACTING COMMISSIONER POOLE: --
12 respond, you know, to that.

13 With respect to the preventive service
14 funding, just to be clear, what is proposed
15 being capped in this year's budget pertains
16 only to New York City for preventive service
17 funding. So the rest of the state is not
18 included in that.

19 And quite honestly, and I know you
20 probably won't like this answer, Assemblyman,
21 but the truth of the matter is that the state
22 is facing a multi-billion-dollar deficit
23 while the city is right now enjoying a
24 multi-billion-dollar surplus. And for the

1 past five years, with respect to New York
2 City's preventive services, you know, we have
3 put in -- and again, this is a state-share
4 increase only -- in the past five years,
5 \$82 million to New York City alone, to
6 support its 62 percent share.

7 The other thing I would say is that
8 the projected -- when you look at New York
9 City's claims for preventive services in the
10 past five years, their rate of growth has
11 slowed considerably, so that the \$320 million
12 cap that's proposed in the budget for
13 New York City, based upon all the financial
14 information that we have available, should
15 not result in any cut to New York City's
16 services to kids and families this year.

17 ASSEMBLYMAN HEVESI: Okay. So a
18 couple of things. First, I appreciate your
19 defense of the overall budget. We're going
20 to agree to disagree, and I'll move on, for
21 both of our sakes.

22 As for the cut specifically to
23 New York City, a couple of things scare me.
24 Number one, I'm afraid that it fits a fact

1 pattern of being punitive to New York City.
2 I understand that they are a financial
3 engine. I'm from the city, I get that. And
4 in certain circumstances I appreciate the
5 fact that the city might have to pick up
6 more. But this is an across the board,
7 constant hit. Every year the Governor's
8 trying to make the city pick up more as he
9 gets out of the business of funding programs
10 for the most vulnerable.

11 I'm also afraid of this being the
12 beginning of a trend that you cap New York
13 City this year, and then you move on to
14 upstate counties next year.

15 And then I guess just as a
16 clarification, I understand that your budget
17 language, as far as I can tell, caps
18 preventative services. But what about
19 protective -- adoption subsidies, after-care
20 subsidies, and independent living?

21 ACTING COMMISSIONER POOLE: So that's
22 all included in the 62/38 reimbursement. But
23 again, that cap only pertains to New York
24 City. So there should be no change for the

1 rest of the state.

2 ASSEMBLYMAN HEVESI: But they will be
3 capped, right? These programs will now be
4 capped when they weren't capped before.

5 ACTING COMMISSIONER POOLE: No. No,
6 no, no. No, not rest of state.

7 ASSEMBLYMAN HEVESI: Not rest of
8 state, only in the city.

9 ACTING COMMISSIONER POOLE: Right.
10 The 62/38 remains open-ended, uncapped, as it
11 has been for a number of years now for
12 everyone else in the state under the proposed
13 budget.

14 ASSEMBLYMAN HEVESI: Right. But
15 New York City, all of those five areas will
16 be capped.

17 ACTING COMMISSIONER POOLE: At
18 \$320 million for this year.

19 ASSEMBLYMAN HEVESI: Okay. And the
20 reason why the cap in 1995 failed is because
21 of the lack of reimbursement from the state.
22 What we found was the city, in this example,
23 will cut back funds. The providers will try
24 to pick up the slack as much as they can;

1 they won't be able to. And let me just put a
2 face on this, and you know this way better
3 than I do. The preventative services are the
4 way to get the kids from not going into the
5 foster care system. That's -- it's smart
6 government. It's how you catch a disease
7 early, and you help people before it
8 metastasizes into a disease.

9 So I just -- I question the rationale
10 of going back to that system even though I
11 acknowledge a tough financial time. And even
12 though we agree about how we got to the tough
13 financial time, I think it really is scaring
14 me and the providers, and I just want to be
15 on record. I would caution you, please be
16 cautious about this. If this serves as a
17 mechanism to stop kids getting preventative
18 services in New York State, that's a really
19 big problem.

20 And I know I'm out of time, but I'm
21 just going to throw in one more question. If
22 you can jump on it, I'd appreciate it.

23 (Inaudible comment from panel.)

24 ASSEMBLYMAN HEVESI: I'm done.

1 (Laughter.)

2 ASSEMBLYMAN HEVESI: Thank you,
3 Commissioner.

4 ACTING COMMISSIONER POOLE: Thank you,
5 Assemblyman.

6 CHAIRWOMAN YOUNG: Thank you. Our
7 next speaker is Senator Roxanne Persaud, who
8 is ranking member on Social Services.

9 SENATOR PERSAUD: Thank you very much.
10 Good morning, Commissioner. It's
11 always great to see you.

12 ACTING COMMISSIONER POOLE: Good
13 morning.

14 SENATOR PERSAUD: Following up on the
15 Assemblymember's question about the
16 cost-shift from New York City, is it true
17 that the New York City capital results in you
18 saving \$17 million? And where are you
19 shifting the \$17 million?

20 ACTING COMMISSIONER POOLE: So I'm not
21 sure of the figure that you're referring to,
22 Senator. But, you know, just to repeat what
23 I just said Assemblyman Hevesi, you know,
24 while the fiscal times were better in New

1 York State, the state upheld its share of the
2 62 percent reimbursement to New York City at
3 a very robust rate for the past five years,
4 as I said, you know, for \$84.5 million.

5 Given the state's fiscal picture and
6 the fact that the city is enjoying a surplus,
7 we have to look at the state as a whole
8 picture. And so we are holding the line on
9 the spending for New York City's preventive
10 services at \$320 million for this year, in
11 the context of the overall state climate.

12 SENATOR PERSAUD: The city may be
13 holding, you know -- may seem robust that
14 they have a lot of funding in reserves, but
15 the city still has a lot to do. So by taking
16 away, you're asking the city to shift funds
17 because the state sees it fit that New York
18 City, because the economy is booming, the
19 state sees it fit to take away from New York
20 City.

21 I don't understand that formula.
22 You're taking away from disadvantaged kids
23 when you're doing that. Did you have a
24 discussion with the city when you decided

1 that you were going to shift the cost -- the
2 funding from the city?

3 ACTING COMMISSIONER POOLE: Well,
4 that's really for the city to decide,
5 Senator, given, you know, the fact that in
6 the past the city has put in some of its own
7 additional funds for child welfare services,
8 which we have matched, you know, with the
9 62 percent state share.

10 SENATOR PERSAUD: But they have to
11 take it away from something else --

12 ACTING COMMISSIONER POOLE: Mm-hmm.
13 Yup.

14 SENATOR PERSAUD: -- to put it in.

15 ACTING COMMISSIONER POOLE: Well, they
16 have a considerable surplus, Senator, with
17 all due respect.

18 SENATOR PERSAUD: You know, we're
19 talking about the state, we're going, We have
20 this, you know, shortfall, but we're spending
21 a lot more money also. So we're spending a
22 lot more money, our budget is going to be
23 larger. Why are we taking away from New York
24 City?

1 ACTING COMMISSIONER POOLE: I think
2 because of the state's fiscal situation being
3 what it is, that we are at a deficit at the
4 state level. And the city is at a
5 significant surplus, and it's a rebalancing
6 of the city-state fiscal relationship in the
7 context of where we are currently.

8 SENATOR PERSAUD: Again, where are you
9 shifting the money that would have been
10 allocated to New York City? Who are you
11 shifting it to?

12 ACTING COMMISSIONER POOLE: It's a
13 cost avoidance. It's not taking that money
14 and putting it into someplace else, it's not
15 spending it in the first instance, where you
16 might have.

17 SENATOR PERSAUD: Okay. Another
18 thing, talking about the COLA. Has the
19 Governor considered increasing the value of
20 the contracts to help the nonprofits with
21 their wages for workers?

22 ACTING COMMISSIONER POOLE: I'm sorry,
23 Senator, can you repeat that?

24 SENATOR PERSAUD: Have you considered

1 increasing the value of the contracts to help
2 nonprofits in their wages?

3 ACTING COMMISSIONER POOLE: Well, as I
4 said earlier, at OCFS -- I can only speak for
5 my agency --

6 SENATOR PERSAUD: Yeah, we are
7 speaking of your agency.

8 ACTING COMMISSIONER POOLE: What we've
9 tried to do, Senator, is when we have rates
10 that are coming up for renewal, that we have
11 been able to, in the past year, build into
12 those rates cost-of-living increases that the
13 providers can pass along to their workers.
14 And again, that's what we've been able to do
15 and that's what we hope to continue to do.

16 SENATOR PERSAUD: Well, we're really
17 not doing that, because the nonprofits cannot
18 afford to pay their workers adequately. And
19 so you have people -- they can't keep the
20 staff, because you're not paying them.
21 You're not giving them the funding. How do
22 we correct that?

23 (Applause from audience.)

24 CHAIRWOMAN WEINSTEIN: Excuse me.

1 Excuse me. People need to restrain
2 themselves. Just smile.

3 (Laughter.)

4 CHAIRWOMAN WEINSTEIN: Big smiles.
5 We'll see it from here.

6 SENATOR PERSAUD: Again, could you
7 say -- how do we correct that?

8 ACTING COMMISSIONER POOLE: You know,
9 Senator, you make good points. I mean, you
10 know, we understand the challenges that we
11 have with the workforce.

12 What I can say to you today is within
13 my agency and with our means, we do our very
14 best in recognition of the incredibly hard
15 work that direct care staff do, to pass along
16 the cost-of-living increases to them.

17 SENATOR PERSAUD: So my final
18 question -- I know my time is running out --
19 so the kid is coming out of college now who
20 wants to go into social services. Are you
21 telling them it's okay because we will
22 provide them with an adequate salary? Are
23 we? Can we comfortably say that, telling a
24 kid coming out of college, it is okay, we'll

1 provide a salary?

2 ACTING COMMISSIONER POOLE: My advice
3 would be yes, it is. Because it's noble and
4 important work that we do here in New York
5 State, Senator.

6 SENATOR PERSAUD: Thank you.

7 CHAIRWOMAN WEINSTEIN: Mr. Oaks.

8 ASSEMBLYMAN OAKS: Yes, we've been
9 joined by Assemblyman Byrne.

10 CHAIRWOMAN WEINSTEIN: I have a
11 question, also talking about reimbursements
12 to the City of New York.

13 Five years ago the state authorized
14 that New York City's children currently
15 residing in or entering into court-ordered
16 placements, as adjudicated as JDs statewide,
17 close to their home communities. Why does
18 the Executive Budget eliminate the state's
19 commitment to the Close to Home program in
20 terms of New York City's \$41 million cut,
21 while at the same time continuing to
22 reauthorize Close to Home?

23 ACTING COMMISSIONER POOLE: You know,
24 I think, Assemblywoman, it gets back to the

1 fiscal reality. We are in support of the
2 Close to Home program. We have submitted an
3 extender of the program. But in light of the
4 state-city fiscal issues that we've just
5 spent time talking about, you know, we're
6 unable to continue the same level of fiscal
7 support that we have had to the city in the
8 past.

9 CHAIRWOMAN WEINSTEIN: It's not just
10 not the same level, it's a total elimination
11 of the funding. And if we start adding up
12 all of these failures -- these retrenchments
13 of reimbursement, the number starts to get
14 very large, coupled with some of the funding
15 restrictions put on the city that the mayor
16 outlined here yesterday.

17 I think -- and thank you, is there a
18 Senate --

19 SENATOR KRUEGER: Yes.

20 CHAIRWOMAN WEINSTEIN: Okay, the
21 Senate.

22 SENATOR KRUEGER: Thank you.

23 Senator Velmanette Montgomery.

24 SENATOR MONTGOMERY: Oh, yes. Thank

1 you.

2 Good morning, Commissioner.

3 ACTING COMMISSIONER POOLE: Good
4 morning, Senator.

5 SENATOR MONTGOMERY: Good to see you
6 again.

7 I'm going to ask you about Raise the
8 Age a little bit and Ella McQueen as well.

9 So it was our hope that as we looked
10 to do Raise the Age, it was really a movement
11 by our state toward looking at young people a
12 little bit differently. That was hopefully
13 what we were aiming to do. And so the change
14 in Raise the Age would have theoretically,
15 should theoretically result in decreasing
16 incarceration of juveniles, young people, 16,
17 17, 18.

18 But in order to do that, it is also my
19 assumption that we need quite a bit of
20 support for the localities, for
21 organizations, to be able to change the way
22 that we deal with young people. And I note
23 in your statement you talk about diversion
24 and probation and programming.

1 So my question to you is, what is the
2 nexus between Raise the Age as a concept, as
3 a way of looking at young people, Close to
4 Home, as a way of making sure that whatever
5 we do with them, they are able to stay in or
6 close to their communities and their
7 families -- and how do you coordinate the
8 agencies that will be involved with that to
9 make sure that we're moving in the direction
10 of reducing juvenile incarceration by
11 increasing the opportunities for them to have
12 early intervention, to have much more
13 support, to have the kinds of activities that
14 hopefully divert them from negative
15 involvement and engagement?

16 ACTING COMMISSIONER POOLE: That's a
17 very thoughtful question, Senator. And I
18 think that's exactly what we're endeavoring
19 to do as we are planning for the
20 implementation of phase 1 of Raise the Age.

21 So one of the things that the enacted
22 bill does allow for is that there are
23 adjustment and diversion services that will
24 be available for 16- and 17-year-olds in a

1 way that they are currently not available for
2 young people who are in front of the criminal
3 court system. So part of that \$100 million
4 appropriation is intended to, to your point
5 of local planning, to allow localities among
6 the stakeholders -- probation, social
7 services, the not-for-profits, the sheriffs,
8 the court system, everyone who it takes,
9 right, to serve these young people, and to
10 create a local plan.

11 So what diversion or adjustment
12 services might they need to work with the 16-
13 and 17-year-olds so that they are not
14 penetrating through into detention or into,
15 you know, one of the placement services? And
16 that's one of the great things that I think
17 we have an opportunity to do here in
18 New York, is it's wonderful that we'll no
19 longer be putting 16- and 17-year-olds in
20 jails, right, or in prisons, but that it
21 opens up a whole new opportunity of not just
22 building more juvenile beds, but building
23 more diversion and after-care and community
24 support opportunities -- which we know, from

1 the data in New York State, you know, the
2 arrest trajectory for 16- and 17-year-olds
3 has been on a steady decline, and we hope
4 that that will continue.

5 But part of our strategy with the
6 available Raise the Age money is not just
7 building new detention beds or just OCFS
8 facilities, but we know these kids eventually
9 go back to communities, and that's really
10 where the best investments are.

11 So that's what we're hoping to see as
12 the local county plans start to come forward
13 and we can make those funding decisions.

14 SENATOR MONTGOMERY: I appreciate that
15 very much, and I hope that we can at some
16 point find out what kinds of organizations,
17 the not-for-profit organizations, you may be
18 looking at and what they're doing and how you
19 can be much more involved in providing
20 support so that they can do more for young
21 people at an earlier point.

22 Now, you -- the Executive proposes to
23 eliminate \$41.4 million in Close to Home
24 reimbursement. So how is it that we're

1 eliminating funding for the thing that will
2 help us reach the goal of the RTA, Raise the
3 Age program?

4 ACTING COMMISSIONER POOLE: So,
5 Senator, my response is similar to what I've
6 said before. It gets really back
7 fundamentally to the fact that the state has
8 a significant --

9 SENATOR MONTGOMERY: Specifically for
10 New York City.

11 ACTING COMMISSIONER POOLE: Right.

12 -- a significant budget deficit, while
13 the city has a significant surplus. And
14 given that Close to Home serves exclusively
15 New York City's children, that we believe,
16 now that it's no longer a pilot program, that
17 we're putting in, right, an Article VII bill
18 to make it permanent, that the city now has
19 the financial resources and means to wholly
20 own it programmatically and fiscally.

21 SENATOR MONTGOMERY: All right.
22 Obviously I disagree with you. However -- my
23 time is up? I don't have any time.

24 SENATOR KRUEGER: You can do a second

1 round.

2 SENATOR MONTGOMERY: Let me just say
3 this quickly. Ella McQueen is in my
4 district, and I've been talking to people at
5 the city, they're very interested in
6 negotiating with you to be able to utilize
7 Ella McQueen in the same way that you have
8 been doing, that you no longer will be doing,
9 but the city would like to do that.

10 So I'm going to want to know where you
11 are in those negotiations.

12 ACTING COMMISSIONER POOLE: So Ella
13 McQueen has been an important OCFS asset for
14 many, many years. But getting back to the
15 point I made earlier, Senator, just the
16 number of children coming into the system has
17 really dropped, and on an average we've had
18 between 5 and 7 young people in that facility
19 with 60 staff, almost. So it's really, you
20 know, a cost to taxpayers -- several million
21 dollars a year -- that given our deficit, we
22 need to use for a different purpose.

23 So our focus is really making sure
24 that we take care of the young people who are

1 there now as we transition and close the
2 agency, as well as making sure that we find
3 landing spots for the 58 staff who work at
4 Ella McQueen. And we are ready, in
5 partnership with Civil Service, to activate
6 all of the options and resources that we have
7 available to make sure that there are no
8 layoffs for the staff there.

9 So that's my consideration right now.
10 I'm focused on the people and the kids; we
11 are not focused on the building that's left.
12 And I'm sure those conversations will be
13 happening at another time.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 SENATOR MONTGOMERY: I would like very
16 much to know where that goes, the
17 conversation. The transfer of that facility
18 is going to be very important.

19 Thank you.

20 CHAIRWOMAN WEINSTEIN: Thank you,
21 Senator.

22 We've been joined actually a while
23 ago, I didn't see her out of the corner of my
24 eye, by our deputy speaker, Earlene Hooper.

1 And now for the second round of
2 questions, to Assemblywoman Jaffee.

3 ASSEMBLYWOMAN JAFFEE: Thank you.
4 Thank you. There are several questions that
5 I had that I wasn't able to respond earlier
6 to questioning.

7 I just want to follow up on the Ella
8 McQueen Center. They do the evaluations,
9 they do evaluations, evaluating youth,
10 something that I used to do when I was an
11 educator. I did educational evaluations.
12 The question is, since this site is closing
13 down, how will you then transfer the function
14 of actually evaluating the youth once it's
15 closed?

16 ACTING COMMISSIONER POOLE: So it's a
17 great question. And, you know, we have -- I
18 can assure you, Assemblywoman, that we have,
19 within the rest of OCFS's system, certainly
20 adequate capacity to provide those same
21 assessment services that kids, frankly, today
22 are now traveling from Erie County and
23 Buffalo and Monroe County all the way down to
24 Brooklyn, you know, for a two-week stay to

1 get these assessments before they land in
2 their OCFS placement. So it doesn't really
3 make sense as a practical matter.

4 So we -- because we have been building
5 up our own state system, we've done a lot of
6 transformation of our own model within OCFS's
7 programs. We have a lot more clinicians and
8 clinical staff, so we have the capacity to
9 really replace those reception services
10 within the greater OCFS system.

11 ASSEMBLYWOMAN JAFFEE: Do we have
12 enough -- is there enough staff, those who
13 are educated in evaluation and assessment,
14 actually significant numbers? I mean,
15 they're also counseling and mental health
16 services, is the discussion we've had, that
17 our -- it's problematic because we don't have
18 enough youth going into those careers.

19 ACTING COMMISSIONER POOLE: You know,
20 there may be some of the tests that require a
21 licensed psychologist, Assemblywoman. And so
22 I can assure you we are going to maintain
23 doing the same assessments that we've done,
24 where we don't have a licensed psychologist

1 on staff, we have plenty of contracting
2 capacity where we tap into for those
3 specialized services.

4 ASSEMBLYWOMAN JAFFEE: Thank you.

5 Now, the families we discussed that
6 receive subsidized care for their children,
7 their funding streams are usually -- many are
8 associated with the facilitated enrollment,
9 childcare, and also SUNY/CUNY issues in terms
10 of the childcare providers there, which I
11 think are essential.

12 So otherwise, you know, this is going
13 to eliminate, since those programs are
14 eliminated, how are we going to then continue
15 the subsidies for these families?

16 ACTING COMMISSIONER POOLE: Well,
17 Assemblywoman, I think as you are aware,
18 those programs have never been in the
19 Executive Budget, those have been adds by the
20 Legislature. And so that's continuing the
21 case in this year's proposed budget.

22 ASSEMBLYWOMAN JAFFEE: One more
23 question, I wanted to follow up on the foster
24 care issue.

1 When I had the hearing regarding
2 foster care and kinship care, and with some
3 of the meetings I've had with members of the
4 communities throughout -- in various areas in
5 the state, one of the issues that has come up
6 is that there seemed to have been a cut in
7 foster care funding, so our counties really
8 didn't have the funds to be able to then
9 support foster care programs. So there was
10 pushback for families who were seeking foster
11 care. And there was very little information
12 being provided -- there is very little
13 information being provided by the counties to
14 the communities regarding that. And even
15 those who had -- were involved with kinship
16 care, wanting to move to foster care, they
17 were getting pushback as well.

18 So that's a problem, both in awareness
19 and it's something that I'm -- you're to be
20 focusing on, and maybe we can work together
21 in terms of the counties sharing information
22 about foster care and kinship and the
23 services that are provided. And then, of
24 course, provide more funding to be able to

1 assist that, as well as the sharing that
2 families understand what the process is and
3 what they can -- what kind of support they
4 could get. That is a major issue, especially
5 with the opioid crisis that we've had, in
6 terms of so many -- the numbers just really
7 are problematic.

8 ACTING COMMISSIONER POOLE: So,
9 Assemblywoman, happy to let you know that a
10 focus on kinship and kin care has been a
11 priority of ours at OCFS in the past couple
12 of years. And I'd like to just share some of
13 the good things that we are doing and have
14 done, and some of the results that we're
15 seeing.

16 So we're actually seeing an increase
17 in kin gap, so the subsidized guardianship
18 placements were up about 10 percent across
19 the state last year, so that's good.
20 Obviously the word is getting out.

21 And to your point, Assemblywoman, of
22 families, right, not understanding sort of
23 the plain language of their legal options,
24 right, when asked -- I mean, it's

1 complicated, right? When you've been asked
2 potentially to care for a child and you've
3 got a worker talking to you about direct
4 placement, Article 6, 1017, kinship foster
5 care, it's a lot to try and take in.

6 So one of the things we've done more
7 recently is for potential caregivers and
8 relatives to write down "know your options"
9 in plain language, so folks sort of in that
10 heat of the moment of making a decision at
11 least know, here are some of the options for
12 you.

13 We also spend a lot of time meeting
14 with the kinship advocates. I know you've
15 met with many of them too. And we spend a
16 lot of time thinking together how we can
17 better inform the process, you know, through
18 data. So last year we made some changes to
19 our data collection system, and we are now
20 able to track more clearly and definitively
21 which counties are using which paths for
22 families to be involved. And so when we have
23 counties who we believe are not appropriately
24 engaging relatives, offering them kinship

1 foster care, we are able to share that data
2 with the counties.

3 And something that we've also recently
4 done is we are now going to be requiring
5 local Departments of Social Services to
6 actually think about a specific plan related
7 to kinship, to make sure that families who
8 step forward with an interest, right, in
9 caring for a niece or a nephew or a
10 grandchild, you know, that they're just not
11 sent down to Family Court to take an
12 Article 6 placement without understanding, at
13 least, all the other options and choices up
14 to and including kinship foster care and
15 KinGAP.

16 So we are doing a lot of work in this
17 area. There's always work to be done. We
18 continue to certainly support the Kinship
19 Navigator, the kinship programs, family
20 resource centers. I can sit here before you
21 and say that I feel like we've put a lot of
22 good effort into this area of kinship, and I
23 think good things are going to start to come
24 out of it.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 Senate?

3 ASSEMBLYWOMAN JAFFEE: Well, let me
4 just say thank you, Commissioner, and thank
5 you for the roundtables that you did lead in
6 the last several months with everyone so that
7 we can have the dialogue. Thank you very
8 much.

9 CHAIRWOMAN YOUNG: Thank you.

10 Our next speaker is Senator Diane
11 Savino.

12 SENATOR SAVINO: Thank you, Senator
13 Young.

14 Good morning, Commissioner. Good to
15 see you.

16 I'm going to continue on a theme
17 that's been brought up by several other
18 members. As you know, I started my career in
19 the child welfare system -- in fact, 28 years
20 ago, at a time when the state was in the
21 midst of another horrible drug crisis. Then
22 it was the crack epidemic, and now it's the
23 opioid epidemic.

24 The difference between then and now,

1 though, is never at any point did the State
2 of New York say that the children that were
3 being served in the City of New York were
4 New York City's children. They're all
5 New York State's children. And there has to
6 be a responsibility on the part of the state
7 to adequately fund the services.

8 A few years ago we asked counties and
9 localities to develop a new funding stream,
10 you know, to be able to provide adequately
11 for preventive services. And that has, up
12 until now, worked fairly well. So the
13 proposal now to apply this new
14 methodology just to the City of New York just
15 seems somewhat arbitrary and harmful to the
16 children of the State of New York who happen
17 to reside in the City of New York.

18 So I would respectfully request that
19 the department take a long look at that. You
20 know, it's a budget of a hundred and -- I
21 don't know, 60 billion dollars, if not
22 more -- I lost track the other day. But if
23 we can't find \$40 million for the City of
24 New York to be able to take care of the

1 state's children who happen to reside in the
2 five boroughs, who are suffering under the
3 effects of the opioid abuse epidemic -- and
4 we've done such great work in the City of
5 New York. Thirty years ago we would have
6 removed all of those children, and they'd be
7 in foster care. Now we understand that
8 preventive services works, keep families
9 together.

10 I would respectfully request that the
11 Governor's office rethink this idea that the
12 City of New York can fend for itself.

13 With respect to Close to Home, you
14 know, you know that in 2012 I introduced the
15 legislation that created the Close to Home
16 program, and I was very happy to see the
17 Governor's office then take it and put it in
18 the budget, because it really does work. And
19 how do I know it works? In 2012 when we
20 introduced Close to Home, there were
21 900 young people incarcerated at Rikers
22 Island, 16- and 17-year-olds. Today there
23 are only 170. Why? Because we've turned
24 them around earlier with direct intervention

1 in their own community. Close to Home works.

2 So that's why it's important that we
3 continue to fund it at the local level, which
4 again is where the majority of the kids who
5 are in the program happen to reside. They
6 live in New York City, but they're New York
7 State residents.

8 And on Raise the Age, I'm hoping you
9 can explain to me how we're going to go
10 forward on implementing Raise the Age. And
11 again, I understand that this is not your --
12 you know, you're just the person, the
13 messenger sent here to explain this. So we
14 anticipate that you'll go back and explain
15 our concern.

16 Right now -- you know, we took great
17 pride last year in finally right-sizing our
18 criminal justice system as it pertains to
19 young people, hopefully becoming the last
20 state in the country that incarcerates 16-
21 and 17-year-olds in adult prisons. But as we
22 speak, the City of New York is not prepared
23 to implement that because there's no
24 guarantee that they're going to get any

1 funding for the implementation of Raise the
2 Age, where the majority of the young people
3 who would be affected will be.

4 So I don't know how we can claim
5 credit for being a progressive state and
6 saying we're doing right by young people in
7 providing them an alternative if we're not
8 going to provide the funding to pay for it.
9 So there has to be some -- hopefully in the
10 30-day amendments, an acknowledgement that
11 the City of New York should not be on the
12 hook for all of these costs. Because they're
13 not just city residents, they are New York
14 State residents who happen to reside in the
15 City of New York. So we really need to take
16 another look at that.

17 You and I have spoken also offline
18 about the tendency in counties outside the
19 City of New York, upstate, where you're
20 having a -- as you acknowledge in your own
21 testimony, a 300 percent increase in calls to
22 the State Central Registry, and the majority
23 of them are coming as a result of the opioid
24 abuse crisis.

1 But what we're seeing in counties
2 outside the city is that many of these
3 children who are being removed from their
4 parents are then being dumped on relatives
5 without any resources. I know that later on
6 today we're going to hear from the KinGAP
7 people, and Gerry Wallace is going to talk
8 about it. And this is a real problem.
9 Thirty-five years ago the City of New York
10 was sued for just that practice, and out of
11 that lawsuit came the kinship foster care
12 program.

13 So if we're going to drop children on
14 families in the middle of the night, we have
15 an obligation to see to it that there's some
16 security and some permanency and some
17 services provided to those families. It's
18 critically important that we crack down on
19 counties that are not following the law, that
20 they're supposed to seek a relative and then
21 provide services, and we know that's
22 happening.

23 And so I know that was a long
24 diatribe. You don't have to answer; you got

1 my message, I'm sure. If you have some
2 responses, I'd certainly like to hear them.
3 But again, the City of New York cannot be
4 treated differently. Those children are all
5 of our children.

6 ACTING COMMISSIONER POOLE: So I guess
7 I would say two things, Senator.

8 One is that I hope you feel somewhat
9 satisfied with the response --

10 SENATOR SAVINO: I do.

11 ACTING COMMISSIONER POOLE: -- that I
12 gave to Assemblywoman Jaffee in response to
13 the work and the focus on kinship and making
14 sure that there is not diversion and that
15 relatives who do step forward are afforded
16 those opportunities.

17 In point of fact, on that Raise the
18 Age, just so everyone does understand that
19 the appropriation language for the
20 \$100 million does include the option for
21 New York City to also submit and prepare a
22 Raise the Age plan outlining its incremental
23 costs. They can make their case for the
24 hardship waiver, which will then, you know,

1 be determined by the State Division of the
2 Budget. So the city is welcome, like every
3 other county across the state, to submit a
4 Raise the Age implementation plan.

5 SENATOR SAVINO: I appreciate that.
6 And I know my time is up, but I just want to
7 make this point.

8 The statute says that it goes into
9 effect October 1st. The City of New York has
10 clearly said they will not be ready. So
11 something needs to change. Otherwise, we're
12 going to have a real problem come October
13 1st. There's nowhere, right now, to house
14 these young people. If we took them off of
15 Rikers Island, there's nowhere to put them.

16 So we impose this requirement on the
17 City of New York, I think it's critically
18 important that we acknowledge that they
19 should not be left hanging because these are
20 real lives and real young people that we're
21 talking about. Thank you.

22 CHAIRWOMAN YOUNG: Thank you.

23 CHAIRWOMAN WEINSTEIN: Assemblyman
24 Hevesi, briefly.

1 ASSEMBLYMAN HEVESI: I can make this
2 really brief, because Senator Savino is
3 awesome, she just hit on it. So I just have
4 to get this out. They're all New York State
5 kids.

6 ACTING COMMISSIONER POOLE: I'm sorry?

7 ASSEMBLYMAN HEVESI: They're all
8 New York State kids. They're all New York
9 State kids. It doesn't matter if they live
10 in Chemung or Chautauqua or New York City,
11 they're all New York State kids.

12 And, you know, I was going to bring
13 this up with a serious point until I heard
14 Senator Savino. But Close to Home was the
15 Governor's idea. I mean, it sort of makes me
16 laugh a little that it came from a bill that
17 he took, but he put it in the Executive
18 Budget in 2012. And now his -- the city
19 wasn't interested in doing it then, they came
20 along for the ride. And now Governor Cuomo,
21 when times get a little tough, walked away.
22 It was his idea. You know, that's -- there
23 seems something wrong about that.

24 And then I have just one other point.

1 The city surplus? That city surplus is
2 projected to be a deficit. They're not flush
3 with cash. They're not going to be rolling
4 in cash for years. I think the formulation
5 is a little bit off. I understand the logic
6 of it, but I've just got to register my
7 opposition to it.

8 And again, you know, if I had a friend
9 who said, Hey, man, can I come over to your
10 house and we'll watch Pay-Per-View -- and
11 then when the bill came, left, I'd be pissed.
12 That's what just happened to Cuomo and
13 de Blasio.

14 (Laughter.)

15 ASSEMBLYMAN HEVESI: So that's my two
16 cents. Thanks.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 To the Senate now.

19 CHAIRWOMAN YOUNG: Thank you.

20 Our next speaker is Senator Tim
21 Kennedy.

22 SENATOR KENNEDY: Thank you,
23 Commissioner. Thank you for your service.

24 I'm going to get back into an issue

that my colleagues have been talking about today, and that's childcare, childcare subsidies, facilitated enrollment, and the regular New York State Child Care Block Grant.

First of all, if you could please explain what investment the state is making in this budget from the -- what's been proposed into facilitated enrollment?

ACTING COMMISSIONER POOLE: So as I said earlier, Senator, those facilitated enrollment programs have never been included in the Executive proposal. Those have been investments made by the Legislature, outside of the Executive proposal --

SENATOR KENNEDY: So every county, and there are eight of them, every county that received funding for facilitated enrollment last year has been zeroed out of what's been proposed.

ACTING COMMISSIONER POOLE: Mm-hmm.

SENATOR KENNEDY: And the expectation is if we want that, we're going to add it.

ACTING COMMISSIONER POOLE: Yes. As I

1 said, Senator, they are not included in the
2 proposed budget.

3 SENATOR KENNEDY: Okay. So let's just
4 get into the New York State Child Care Block
5 Grant. Last February you stated that you'd
6 look into a formula and methodology to see
7 about the distribution and make it more
8 equitable. Can you tell us what's been done
9 thus far in that regard?

10 ACTING COMMISSIONER POOLE: So our
11 allocation methodology has remained
12 consistent, which I think was one of the
13 goals in the requests of all the local
14 Departments of Social Services. So we have
15 not, Senator, made sweeping changes to our
16 methodology.

17 SENATOR KENNEDY: So it's consistent,
18 but I would argue that Erie County is
19 consistently underfunded compared to the rest
20 of the state. There is a massive disparity
21 in childcare funding. It is a huge inequity
22 that has to be resolved. Erie County
23 receives \$89.76 for every resident earning
24 below 200 percent of the federal poverty

1 line, whereas Monroe, our neighbor to the
2 east, receives \$159.67. Nassau receives
3 almost three times as much as we do in
4 Erie County, at \$256.85. This is just a
5 massive inequity.

6 And there are people that earn less
7 than 200 percent of the federal poverty line
8 that qualify for the original block grant
9 funding that are on a waiting list, and so
10 there are families that can't go to work
11 because they can't afford childcare. And
12 that is just the tip of the iceberg. Can you
13 talk about what we're going to do?
14 Because it's been a year, and it sounds like
15 nothing's been done.

16 ACTING COMMISSIONER POOLE: Well,
17 Senator, I don't have great answers for you
18 except to say that we have restored the
19 subsidy, we've made investments in
20 after-school, we now have a childcare task
21 force, which I think will help us hopefully
22 get at some of those issues that you raise
23 about access and affordability of childcare.
24 We're hoping that really good things and

1 innovative ideas come out of that task force.

2 SENATOR KENNEDY: Sure, and I
3 appreciate that. What I would ask you for,
4 Commissioner, is a commitment to make it
5 equitable across the state. These
6 disparities, whether it's Erie County or any
7 other county, they shouldn't exist. There
8 should be fair and equitable distribution of
9 the funds from the federal government through
10 New York State so that there are people in
11 any community not on a waiting list because
12 of a disparity.

13 I mean, it's really unfair and it has
14 to be resolved. It is a huge priority for
15 our community, especially the community I
16 represent, and we are and we have prioritized
17 the state -- Empire State Development, we
18 talked about it earlier, and from an economic
19 development perspective, putting people to
20 work and we're talking about a huge void in
21 the workforce that's upcoming. And I think
22 it's absolutely essential that we have the
23 proper amount of childcare funding in every
24 single community, including Erie County. And

1 I'd like your commitment to that effect.

2 ACTING COMMISSIONER POOLE: Certainly,
3 Senator, what I will commit to you is I will
4 work as hard as anyone else on trying to get
5 at some of these really pervasive issues with
6 access and affordability of childcare. I
7 certainly am happy to commit to that with
8 you.

9 SENATOR KENNEDY: Along those same
10 lines, can you just talk about how your
11 office is working with Empire State
12 Development in regard to childcare funding
13 and making sure that folks have that
14 available?

15 ACTING COMMISSIONER POOLE: So we
16 don't have a formal relationship with Empire
17 State Development now, although they are one
18 of the listed members of the task force that
19 we will begin working on this year. Someone
20 mentioned earlier in the hearing there is one
21 county, it's actually Monroe County, that
22 through Empire State Development and an
23 upstate regional initiative -- actually, this
24 was at the local level -- decided to make a

1 \$3 million investment using those economic
2 dollars to bring additional childcare slots
3 into the county.

4 So again, there's at least one
5 precedent where there's been a nexus between
6 the need for childcare and tapping into the
7 economic dollars that are available to that
8 region.

9 SENATOR KENNEDY: So I will leave you
10 with this -- I'm out of time -- but an
11 increase in funding clearly for the regular
12 New York State Child Care Block Grant across
13 the state, and then distributing it in a
14 proper equitable fashion I think is extremely
15 important. I think we have an obligation to
16 families across the state, especially in the
17 community I represent that is being
18 underfunded.

19 At the same time, I'd like the state
20 to look at focusing on increasing the funds
21 for the facilitated enrollment program
22 through Workforce Development Institute, WDI,
23 where it's been shown to work. And they have
24 helped hundreds of families in their

1 respective communities. I'd like to see it
2 not only in the eight counties where it has
3 been proposed and exists thus far, but it
4 should be a statewide initiative.

5 CHAIRWOMAN YOUNG: Thank you.

6 So, Commissioner Poole, I had a few
7 questions regarding Raise the Age. And
8 you've talked a little bit about it today.
9 But as Senator Savino was pointing out, it
10 takes effect on October 1st of this year, so
11 the clock is ticking. And I'm looking at
12 more of a macro explanation of it. But could
13 you please provide an overview of the
14 planning and implementation of activities
15 that have taken place to date?

16 ACTING COMMISSIONER POOLE: Certainly.
17 There's been a lot of them.

18 So I'll just go back to last summer
19 after the bill passed. A number of us from
20 the Executive chamber and state agencies, so
21 there's a team of us -- OCFS, DCJS, DOCCS,
22 State Commission on Corrections -- we went
23 across the state, we did 10 roundtables over
24 the summer, we met with local stakeholders,

1 elected officials, probation, social
2 services, as a way to begin the conversation,
3 going over the enacted bill, sharing data
4 projections, really talking about how the
5 local planning can get underway.

6 Of course, as you can imagine, we've
7 gotten lots of questions, technical
8 questions, about it. So we have stood up a
9 website, a Raise the Age website that has all
10 kinds of information, answers to all the
11 questions, that we have provided.

12 We have participated in numerous
13 meetings and sessions at both the NYSAC as
14 well as the NYPWA conferences. We have
15 promulgated regulations to stand up the new
16 specialized secure detention facilities that
17 will be needed for the adolescent offenders.
18 We have gone out to a number of counties as
19 teams together when they are considering
20 standing up a detention or using Raise the
21 Age as a way to replace an aging facility to
22 accommodate the growing need for secure as
23 well as the adolescent offender specialized
24 secure detention facility. So it has been an

1 intensive effort to share information, to
2 engage local stakeholders.

3 We also, at the request of localities,
4 developed a Raise the Age local planning
5 guide -- again, it was completely
6 voluntary -- but as a way for localities to
7 really begin to think about, you know, from
8 the point of arrest or contact, you know,
9 right through after-care services, what does
10 Raise the Age implementation mean at a local
11 level. And then from there, helping those
12 localities really figure out so what does
13 this mean in terms of additional probation
14 staff, what does this mean in terms of
15 additional detention beds, et cetera. So
16 some of those plans are starting to come back
17 in to us.

18 And as I said, we've traveled to a
19 number of municipalities, you know, from
20 St. Lawrence all the way down to Nassau and
21 Suffolk and New York City, really trying to
22 help folks think about the beds that will
23 need to be stood up between now and the
24 initial launch in October.

1 CHAIRWOMAN YOUNG: So I'm glad to hear
2 that you're having those conversations across
3 the state, but there still seems to be a lot
4 of confusion around Raise the Age. And
5 during the discussions, which I took part in,
6 when the Raise the Age legislation was
7 passed, the Governor's commitment was that
8 the counties would be held harmless and that
9 they would not have any additional costs.

10 Could you please address that?
11 Because I still get a lot of concern from
12 counties all over the state that this is
13 going to cost them a lot of money. And we
14 just had a discussion the other day with
15 Acting Commissioner Annucci from the
16 Department of Corrections, and there was a
17 discussion about even changing how
18 transportation is paid for. Because as you
19 know, several of these youths will have to be
20 transported all over the state.

21 ACTING COMMISSIONER POOLE: Right.

22 CHAIRWOMAN YOUNG: And in the
23 Executive proposal, there is a provision that
24 would require the funding formula be changed

1 for local law enforcement who transport these
2 youths. So it won't be based on salary
3 anymore, it will be based on mileage. And
4 Commissioner Annucci did concede that it will
5 be a higher cost to local governments.

6 So those are some of the issues that I
7 think are out there. And so how will this
8 actually work, and how will the counties be
9 held harmless?

10 ACTING COMMISSIONER POOLE: So again,
11 the appropriation language to tap into the
12 \$100 million includes the development of a
13 local plan. So the appropriation language
14 spells out all of the incremental costs,
15 probation, detention.

16 And just as a point of clarification,
17 Senator, under Raise the Age any
18 transportation costs on the part of sheriffs
19 for 16- and 17-year-olds is considered a
20 100 percent Raise the Age cost, so they
21 should receive full reimbursement for that.

22 CHAIRWOMAN YOUNG: That's very good to
23 hear.

24 So in addition to the programs and

1 services, counties are also required to have
2 access to new specialized secure detention
3 facilities for adolescent offenders. And the
4 question is, has OCFS approved any of the
5 operating certificates yet, and where are
6 those approved, if they are?

7 ACTING COMMISSIONER POOLE: To date
8 we've not approved any. As I said earlier,
9 we've had lots of conversations with a number
10 of municipalities who I think are getting
11 close to finalizing decisions about where
12 those new specialized secure detention beds
13 will be, but we've not yet finalized any of
14 those plans as of today.

15 CHAIRWOMAN YOUNG: So what are you
16 telling counties about deferring their costs?
17 I mean, so if they have to build a new
18 facility, what is the message that OCFS is
19 delivering about that?

20 ACTING COMMISSIONER POOLE: So the
21 message is that, again, any costs related to
22 Raise the Age, assuming that their plan is
23 approved, will be covered 100 percent by the
24 state.

1 So in addition to the \$100 million,
2 there's also a \$19 million capital
3 appropriation to help jump-start some of the
4 detention capital that might be needed.
5 Again, that will follow current reimbursement
6 streams -- 49 percent local, 51 percent
7 state. And then anything that's left from
8 that can be applied to the 100 percent, you
9 know, \$100 million allocation that remains in
10 Raise the Age.

11 So again, we have -- you know, we have
12 said time and time again that the Governor
13 has been committed to providing 100 percent
14 support for Raise the Age-related costs for
15 those counties who fall within the tax cap or
16 who can make the hardship waiver argument.

17 CHAIRWOMAN YOUNG: Thank you. I just
18 want to make it very clear, so thank you for
19 that.

20 And this past September the Governor
21 announced bid solicitations for construction
22 projects at two former OCFS facilities -- and
23 that would be Industry Residential Center,
24 which I know well, in Monroe County, and

1 Harriet Tubman Residential Center in
2 Cayuga County -- with construction
3 anticipated to begin actually last fall.

4 So has the construction begun on those
5 facilities yet?

6 ACTING COMMISSIONER POOLE: Yes,
7 construction has begun at both of those
8 facilities. I am happy to say that it is on
9 schedule. And both facilities will certainly
10 be open well in advance of needing to be
11 ready for Raise the Age. So both of those
12 projects are going very well, Senator.

13 CHAIRWOMAN YOUNG: So that's great to
14 hear.

15 And in the announcement it was stated
16 that these facilities are expected to add a
17 total of 250 staff positions. So my question
18 is, will these be new hires or will people be
19 transferred around the state?

20 ACTING COMMISSIONER POOLE: No, these
21 will be new hires in those communities. So
22 we will be doing job fairs.

23 But again, you know, we also run the
24 state juvenile justice system, so if we have

1 staff that it creates promotional
2 opportunities for, as we do now, we certainly
3 want to support that as well.

4 CHAIRWOMAN YOUNG: Okay, I have some
5 questions about Close to Home, but I'll let
6 Senator Montgomery go.

7 SENATOR KRUEGER: No, it's my turn.

8 CHAIRWOMAN YOUNG: Oh, it's your turn,
9 I apologize. Senator Krueger is next.

10 SENATOR KRUEGER: Thank you.

11 Hi. Got skipped. So there's been a
12 lot of discussion about Raise the Age and
13 also communities making sure they meet an
14 October 1st deadline. So the City of
15 New York is specifically asking to be able to
16 use the Ella McQueen site that you say you're
17 pulling out of. Is there any reason why that
18 couldn't happen?

19 ACTING COMMISSIONER POOLE: None that
20 I'm aware of, Senator. But again, our focus
21 now is closing down the facility to save
22 money. No decisions that I'm aware of have
23 been made regarding the potential future use
24 of the facility.

1 SENATOR KRUEGER: But following up on
2 points Cathy was -- Senator Young was just
3 making, we're getting very close to a
4 deadline of October 1st. So hopefully the
5 state can move quickly to arrange this.
6 Because, again, the City of New York needs
7 this facility for exactly the reasons we're
8 talking about.

9 There's also been quite a bit of
10 discussion about inequity in funding, and
11 Senator Savino said they're all our children,
12 and they are. Just for the record, state
13 government also has a reserve and a rainy day
14 fund. The federal government does as well.
15 It's just smart government to have reserves
16 and rainy day funds, as opposed to the view
17 that if somebody does have one, you're going
18 to penalize them in their state process.

19 In your testimony I add up that
20 there's \$10 million more for Empire State
21 After-School, making it \$45 million;
22 \$17 million continuing for Advantage
23 After-School Program. And you say combined,
24 both programs will serve over 44,000

1 children. So when I take the \$62 million
2 divided by 44,000 children, I get \$1400 per
3 slot annual, or \$8 per day.

4 Are we actually running after-school
5 programs at \$8 per day?

6 ACTING COMMISSIONER POOLE: You know,
7 I've never done the math that way, Senator.
8 I mean, I'm happy to look into it.

9 But again, you know, those are the
10 number of slots that we are having across the
11 state. So -- and again, you have groups of
12 kids in the classroom, so it may be able to
13 be done that efficiently. But I can
14 certainly look into that information.

15 SENATOR KRUEGER: So I would really
16 like you to get back to us about how the math
17 works, because that's just -- that's assuming
18 across the board everyone gets the same. And
19 as we already heard from some of my
20 colleagues, sometimes the amount provided by
21 different parts of the state can vary
22 extremely. But it just doesn't seem like
23 we could possibly be getting the kind of
24 after-school programs we need at \$8 per day.

1 I also just finished an article about
2 the not-for-profit sector around the country
3 and the fact that a disproportionately large
4 number of them are literally in fiscal
5 crisis. Because again, as you've heard
6 today, we raised the wages -- and I totally
7 support that we raised the wages, because if
8 we don't then nobody could keep staff. But
9 we are the funder of the budgets of the
10 not-for-profits, so we find ourselves in a
11 situation where not-for-profits don't have
12 adequate money to pay their workers, and they
13 literally can't meet any kind of emergency
14 needs. And we have seen, over the last
15 couple of years, some large not-for-profit
16 organizations in the State of New York
17 literally surprising us by going belly up,
18 causing crisis for their clients and also for
19 the state, as the provider of funds to the
20 not-for-profits who are doing this work for
21 us.

22 I asked, I think it was last year --
23 and I'm not sure if I asked you, in fairness,
24 because there are many different

1 commissioners that this overlaps -- if the
2 state had any kind of forensic analysis it
3 was doing to make sure that it's not putting
4 the organizations we contract with into such
5 a level of crisis that they actually have the
6 potential for going belly up, which is a much
7 bigger problem.

8 And I ask again this year because when
9 you look at the federal changes in law, both
10 reducing federal money and changing the
11 formula for taxes such that the philanthropic
12 sector is estimating billions of dollars of
13 less money being donated to not-for-profits,
14 are we factoring that all into making smart
15 decisions? And is someone looking at this on
16 the macro level for us?

17 ACTING COMMISSIONER POOLE: I am not
18 aware of, Senator, that there's that kind of
19 analysis going on.

20 I can speak to what we try and do at
21 OCFS is, you know, we also rely on a very
22 robust group of not-for-profits to carry out
23 really important work. And so again,
24 wherever we can through our rate structure or

1 through our contract oversight work, if we
2 see that there's a not-for-profit who's in
3 some fiscal distress, we work very hard at
4 OCFS to dive into the budget to try and
5 adjust the work plan wherever possible so
6 that we are holding up the not-for-profit and
7 that we're not having not-for-profits who we
8 depend on go out of business.

9 And we've done that. We do that, you
10 know, day in and day out at OCFS.

11 I would also just remind everyone that
12 there was a \$100 million infrastructure grant
13 put forward for the not-for-profit community,
14 again recognizing the need for those agencies
15 to have some additional capacity for
16 infrastructure. So that money was made
17 available as well.

18 SENATOR KRUEGER: Thank you.

19 Next, Velmanette Montgomery in a
20 follow-up.

21 SENATOR MONTGOMERY: Yes, thank you.

22 Commissioner, just to pursue a little
23 bit more. It seems that, you know, there are
24 some programs in our state that work very

1 well, they have a track record. And one of
2 them that I'm specifically familiar with,
3 among many others, is YouthBuild, which
4 really is one of those programs -- it doesn't
5 fit neatly into your shop or labor or -- but
6 it works. And these are the youth that we
7 really are trying to target.

8 So my question for you is, what can we
9 do to make sure that those programs that
10 actually work are ones that we really invest
11 in, and not look to reduce funding every
12 year, they have to come to fight for the
13 funding and they're already underfunded.

14 So is there any way that we can look
15 to see what's actually working in our state,
16 those programs that work? And let's invest
17 in them and make sure they become part of the
18 infrastructure of what we do for young
19 people.

20 And I still am not sure about the
21 Ella McQueen, but I think you'll get back to
22 us on that --

23 ACTING COMMISSIONER POOLE: Yes.

24 SENATOR MONTGOMERY: New York City is

1 desperate to be able to use that facility as
2 part of implementation of Raise the Age.

3 So those two I just want to raise with
4 you.

5 ACTING COMMISSIONER POOLE: Yes. So
6 your point is well taken about the promising
7 or evidence models, right, that are effective
8 for young people.

9 SENATOR MONTGOMERY: Yes.

10 ACTING COMMISSIONER POOLE: You know,
11 YouthBuild is one, Credible Messenger is
12 another, right?

13 As there's more and more youth justice
14 work done across the country, and the
15 research that follows, I think the good news
16 is we're having a wider menu of those
17 programs and services that we know are
18 impactful for young people.

19 And again, I think when we are looking
20 toward making investments for diversion and
21 adjustment services as part of Raise the Age,
22 those are exactly the kind of programs that
23 we're looking for.

24 SENATOR MONTGOMERY: Okay. I

1 appreciate that. And I'll look forward to
2 working with you ongoing to see where you are
3 with those and which ones we really want to
4 continue to make sure are part of the
5 infrastructure, as I said.

6 ACTING COMMISSIONER POOLE: Happy to
7 work with you, Senator.

8 SENATOR MONTGOMERY: Thank you.

9 SENATOR KRUEGER: And Senator Diane
10 Savino, for a follow-up round.

11 SENATOR SAVINO: Thank you. Thank
12 you, Senator Krueger.

13 I just want to go back to Raise the
14 Age, and I just want to emphasize -- because
15 in the response to one of the members, it may
16 have been Senator Young, you talked about how
17 there was engagement with localities and
18 various agencies.

19 So there seems to be a disconnect,
20 though, with the City of New York. Packaged
21 here today is some testimony from the New
22 York City Corrections Officers union, COBA.
23 They're not present, but they did submit the
24 testimony. And they have raised some serious

1 issues about conflict between what their job
2 responsibilities are as corrections officers,
3 and how it's defined under civil service law,
4 with conflicts within the City Charter as to
5 where you can house people who are under the
6 jurisdiction of one agency or another. They
7 are prepared to vehemently oppose the
8 responsibility of their members becoming the
9 caretakers of young people who are housed in
10 facilities that are not designated by the
11 Department of Corrections.

12 So I'm bringing this up because I know
13 also later today we're going to hear from the
14 Social Service Employees Union, who
15 represents the staff who are ACS employees,
16 and they have their own issues.

17 The point I'm trying to make,
18 Commissioner, is there has been little
19 interaction with the workforce on the
20 implementation of this incredibly important
21 new program. The people have not been
22 trained, they don't know what their
23 responsibilities are, there's conflict in
24 city and state law with respect to these

1 facilities, who's responsible, who isn't.
2 And I think we need to get that lined up
3 straight before we talk about October 1st
4 implementation.

5 The mayor yesterday said it more than
6 once -- you know, when I agree with him, I
7 agree with him. When I don't, I don't, and
8 he knows it. But he said it more than once,
9 the city is not prepared to do this,
10 especially without any funding. And if we're
11 going to pull funding out of Child Protective
12 Services and Child Preventive Services and
13 unfund Close to Home, this is not going to
14 work.

15 But before we move forward, we need to
16 have a comprehensive conversation with the
17 people who are going to be responsible for
18 the care and custody of these 16- and
19 17-year-olds. Because they're not ready,
20 they don't know what their responsibilities
21 are, and what we're asking them may in fact
22 conflict with city law.

23 So I just want to leave that with you,
24 because Raise the Age is only going to work

1 if everybody understands how it's going to
2 work.

3 ACTING COMMISSIONER POOLE: Thank you,
4 Senator.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 That's the -- I think you get a break.

7 (Laughter.)

8 CHAIRWOMAN WEINSTEIN: So thank you
9 for being here today and --

10 CHAIRWOMAN YOUNG: Wait, I get to --

11 CHAIRWOMAN WEINSTEIN: Oh, I'm sorry.
12 Senator Young.

13 CHAIRWOMAN YOUNG: I wanted to delve
14 into Close to Home a little bit more.

15 So the Executive Budget contains
16 legislation to extend for five years the
17 Juvenile Justice Services Close to Home
18 initiative in New York City. And as I'm sure
19 you'll remember, the initial rollout of Close
20 to Home was rather problematic, particularly
21 surrounding the issue of youth escaping or
22 being away, being AWOL. And there were
23 several high-profile incidents regarding
24 these youth and additional crimes,

1 unfortunately, that they committed.

2 So could you give us some background
3 information? What's the current rate of
4 runaways in New York City, and how does it
5 compare with the programs that are overseen
6 by OCFS? So what I'm looking at is -- what I
7 want to explore are the number of youths who
8 go AWOL, comparing it to OCFS facilities.

9 ACTING COMMISSIONER POOLE: So I would
10 say overall you're exactly right, Senator,
11 that the early implementation of Close to
12 Home, it was a bit bumpy there. But that's
13 not to be -- right, that's not unexpected in
14 sort of launching such an initiative.

15 You know, the city has done a very
16 good job over the course of the past several
17 years in holding agencies accountable.
18 They've done a lot of work to strengthen the
19 core Close to Home program. And in fact a
20 lot of their data metrics, the AWOLs, the
21 assaults, the re-arrests, all of those things
22 have really evened out and are at least on
23 par with runaway/AWOL rates in the rest of
24 the state. So they've done --

1 CHAIRWOMAN YOUNG: Is there anywhere
2 you can get that information?

3 ACTING COMMISSIONER POOLE: Yes.

4 CHAIRWOMAN YOUNG: Okay, could you
5 send us -- and what I'd like to see,
6 Commissioner, is background on Close to Home
7 but also as it compares to state-operated
8 programs. If you have that.

9 ACTING COMMISSIONER POOLE: Okay.

10 CHAIRWOMAN YOUNG: That would be
11 helpful.

12 ACTING COMMISSIONER POOLE: Yes, we'll
13 do our best.

14 CHAIRWOMAN YOUNG: So with the city's
15 juvenile justice system, you said that
16 they've done a very good job in taking
17 official actions to address deficiencies or
18 problems. But could you delve into that a
19 little bit deeper? I mean, what exactly have
20 they done?

21 ACTING COMMISSIONER POOLE: Well, I
22 think that they were able to really determine
23 which of their not-for-profits really had an
24 affinity and a strength for doing that work.

1 And so now the number of not-for-profits that
2 they have, as compared to when they first
3 started Close to Home, is much smaller.
4 Right? So for those folks who were not
5 performing, you know, despite additional
6 technical assistance or support, those folks
7 are no longer Close to Home-approved
8 providers by New York City.

9 And then I think the city's also put
10 in a lot of its own oversight structures for
11 the Close to Home program.

12 So again, strengthening the program,
13 figuring out who's really good at providing
14 those services I think -- like many
15 initiatives, right -- is what leads to
16 success.

17 CHAIRWOMAN YOUNG: Thank you for that.
18 But again, so you're going to look into
19 AWOLs. But also, is there any data on
20 outcomes for New York City youth versus for
21 youth in the rest of the state?

22 ACTING COMMISSIONER POOLE: I'm not
23 sure that we have an apples-to-apples
24 comparison, Senator. We just -- we haven't

1 done it that way before.

2 But, you know, certainly I'm happy to
3 work to try and get any data that would line
4 up in that way.

5 CHAIRWOMAN YOUNG: Well, we want every
6 youth, as you know, to have a good outcome.

7 ACTING COMMISSIONER POOLE: Absolutely.

8 CHAIRWOMAN YOUNG: So the question
9 is -- it would be helpful if there is data
10 available. And it sounds like there is,
11 right --

12 ACTING COMMISSIONER POOLE: Mm-hmm.

13 CHAIRWOMAN YOUNG: -- on outcomes?

14 ACTING COMMISSIONER POOLE: Yes. And
15 not only OCFS facilities, but again a lot of
16 other not-for-profits also run residential
17 programs, foster care programs. So I think
18 we -- you know, we can go back and try and
19 figure out what's a fair comparison, you
20 know, across those programs and see what data
21 we can provide to you.

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

24 So in addition to extending the law,

1 the Governor's budget proposal also puts
2 forward eliminating the state -- elimination
3 of state reimbursement to New York City for
4 Close to Home-related expenditures, as you
5 know. So does this constitute the
6 elimination of all state reimbursement for
7 expenses related to youth -- to these
8 particular youth, or is the city still
9 eligible for reimbursement through other
10 juvenile justice-related funding streams?

11 ACTING COMMISSIONER POOLE: So it
12 just -- for New York City's Close to Home, it
13 pertains exclusively to Close to Home.
14 However, you know, when they raise the age in
15 New York City, the 16- and 17-year-olds who
16 would be part of the Close to Home program,
17 assuming that New York City submits a plan
18 and that it's approved -- again, those 16-
19 and 17-year-olds from New York City who are
20 in a Close to Home program, assuming that the
21 plan is approved by the Division of the
22 Budget, would be eligible for state
23 reimbursement.

24 CHAIRWOMAN YOUNG: Okay. So the

1 proposal from the Governor is to eliminate
2 \$41.4 million in appropriation authority for
3 Close to Home expenditures. But what is the
4 actual anticipated savings for the state in
5 this proposal?

6 ACTING COMMISSIONER POOLE: It's the
7 \$41 million.

8 CHAIRWOMAN YOUNG: It's just the
9 \$41.4 million?

10 ACTING COMMISSIONER POOLE: Mm-hmm.

11 CHAIRWOMAN YOUNG: Okay. Thank you.
12 Thank you for being here today.

13 CHAIRWOMAN WEINSTEIN: So again, thank
14 you for being here and responding to members'
15 questions.

16 And I think there were -- there may
17 have been a few follow-ups that you had to
18 get back to us, and we'll share that with all
19 members. Thank you.

20 ACTING COMMISSIONER POOLE: Thank you
21 all.

22 CHAIRWOMAN WEINSTEIN: Next we have,
23 from --

24 (Protestors in audience.)

1 CHAIRWOMAN WEINSTEIN: If people can
2 control themselves -- if people can control
3 themselves -- otherwise we're going to have
4 to ask you to leave.

5 (Protestors continue speaking.)

6 CHAIRWOMAN WEINSTEIN: We need to
7 continue the hearing. We appreciate people
8 coming --

9 (Protestors continue.)

10 CHAIRWOMAN WEINSTEIN: We're going to
11 take a five-minute recess of our hearing.

12 (Brief recess taken.)

13 (Protestors continue; discussion off
14 the record.)

15 CHAIRWOMAN WEINSTEIN: So we'd like to
16 now, as soon as the room quiets down,
17 continue with the hearing.

18 So our next witness is from the State
19 Office of Temporary and Disability
20 Assistance, Barbara Guinn, executive deputy
21 director.

22 Good morning.

23 EX. DEP. COMMISSIONER GUINN: Good
24 morning, Chairpersons Weinstein, Young,

1 Hevesi and Tedisco, and to other members of
2 the Legislature. I am Barbara Guinn, the
3 executive deputy commissioner of the state
4 Office of Temporary and Disability
5 Assistance. I am honored to appear on behalf
6 of Commissioner Sam Roberts to discuss the
7 2019 Executive Budget and the important work
8 of our agency.

9 OTDA's mission is to help vulnerable
10 New Yorkers meet their basic needs and
11 advance economically by providing
12 opportunities for stable employment, housing
13 and nutrition, working in partnership with
14 the county social services districts we
15 oversee. We administer a range of activities
16 to reduce homelessness, including homeless
17 prevention services, oversight of emergency
18 shelters, provision of rent supplements,
19 construction and operating costs for homeless
20 housing, and housing retention services.

21 In 2017, we completed inspections of
22 nearly 900 publicly funded homeless shelters,
23 and as a result, improvements are being made
24 in shelter conditions across New York State.

1 The state's Homeless Housing and
2 Assistance Program awarded funds for nearly
3 550 units of supportive housing for the
4 homeless this year, part of the unprecedented
5 commitment by the Governor and the
6 Legislature of \$10 billion toward creating
7 and preserving more than 100,000 units of
8 affordable housing and 6,000 units of
9 supportive housing.

10 The Executive Budget advances this
11 plan and builds on these efforts by having
12 OTDA work with local social services
13 districts to establish comprehensive homeless
14 services plans, including effective outreach
15 services. Local districts will be required
16 to engage with ongoing efforts, set
17 data-driven goals that are tailored to
18 community needs, and report regularly on
19 progress.

20 Making sure no New Yorker goes hungry
21 is another commitment that the Governor takes
22 to heart. The Supplemental Nutrition
23 Assistance Program helps nearly 3 million
24 low-income working people, older adults, and

1 other New Yorkers feed their families each
2 month. To further strengthen food security
3 with this budget, the Governor is launching a
4 "No Student Goes Hungry" initiative that
5 requires food pantries on all SUNY and CUNY
6 campuses to provide students access to
7 healthy locally-sourced meals, and includes
8 expanded outreach efforts by OTDA.

9 Adequate home heating during times of
10 cold weather is another basic need that OTDA
11 helps to meet. The Home Energy Assistance
12 Program helps over 1.3 million low- and
13 moderate-income households afford heating
14 costs and reduce energy needs through
15 energy-efficiency investments. As a result
16 of the cold weather this season, we've seen a
17 40 percent increase in requests for emergency
18 heating assistance since the emergency
19 benefit opened early last month.

20 I'm proud to announce today that OTDA
21 is amending its HEAP state plan to permit the
22 issuance of an additional emergency benefit
23 to better meet the increased need from this
24 season's severe weather. This action will

1 enable additional emergency heating benefits
2 to help about 18,000 households, and the
3 state will dedicate an additional \$14 million
4 in federal HEAP funds to support
5 weatherization services for an additional
6 7,500 low-income households. This is the
7 second year in a row that we have dedicated
8 additional HEAP funds toward weatherization.
9 These efforts will help residents to keep the
10 heat on through the cold winter months and
11 achieve financial independence by lowering
12 future energy costs as a result of
13 weatherization.

14 The Executive Budget also includes
15 resources to support OTDA's child support
16 program, which collected more than
17 \$1.8 billion on behalf of nearly 829,000
18 families last year. Child support is an
19 important income source that helps families
20 achieve financial stability, helps reduce
21 child poverty, and encourages parents to be
22 more active in the lives of their children.

23 The 2019 budget also provides
24 \$40 million to support the Summer Youth

1 Employment Program, which provides low-income
2 youth with enriching and constructive work
3 experiences that can help even the playing
4 field for future success. This investment
5 represents a \$4 million increase from last
6 year's program to account for the recent
7 minimum-wage increase so that we can continue
8 to serve over 19,000 youth this summer.

9 The Governor is committed to New York
10 remaining a welcoming place for all,
11 regardless of race, religion, country of
12 origin, or economic status. OTDA oversees a
13 range of services for refugees in New York
14 State which include help with housing,
15 health, education and employment. OTDA staff
16 were honored recently to welcome individuals
17 arriving from hurricane-ravaged Puerto Rico
18 and the U.S. Virgin Islands and to provide
19 information about available assistance. New
20 York will continue to welcome new arrivals
21 with open arms.

22 The Executive Budget supports
23 comprehensive case management for vulnerable
24 young people, especially immigrant youth.

1 This investment is part of a larger proposal
2 by the Governor to cut off the recruiting
3 pipeline of violent gangs, in particular
4 MS-13 on Long Island.

5 OTDA is proud of our work with the
6 Governor and the Legislature to support
7 strong families and communities and keep New
8 York a state of progress, opportunity, and
9 hope.

10 Thank you again for this opportunity
11 to speak to you today, and I look forward to
12 any questions you may have.

13 CHAIRWOMAN WEINSTEIN: Thank you.

14 We'll go to Assemblyman Hevesi.

15 ASSEMBLYMAN HEVESI: Hi. Good
16 afternoon, Ms. Guinn.

17 EX. DEP. COMMISSIONER GUINN: Good
18 afternoon.

19 ASSEMBLYMAN HEVESI: How are you
20 doing?

21 So I have a number of questions.
22 They're a little all over the place, so bear
23 with me.

24 So right from your testimony, thank

1 you for the Governor's commitment to
2 supportive housing. It's great. And I know
3 that in this year's budget there was a little
4 bit of a hole in supportive housing, and you
5 guys plugged that hole in this year's budget
6 by giving some operating funds, I believe.
7 And so I'm grateful for that.

8 I would just ask that we look out, in
9 the next budget year, to do the next round of
10 funding for the next, I guess, whatever it
11 is, 6,000 units. I need the Governor to keep
12 his commitment on supportive housing. He's
13 done well so far. Nothing in this budget,
14 which is okay, because it's a long-term
15 commitment, but next year I hope he will do
16 that.

17 (Discussion off the record.)

18 ASSEMBLYMAN HEVESI: A question about
19 the -- in your testimony, the \$14 million for
20 HEAP, that's great. Where did the money come
21 from?

22 EX. DEP. COMMISSIONER GUINN: It's
23 part of our block grant that we receive from
24 the federal government. We had some

1 additional funds that ended up being
2 available primarily based on the lower usage
3 last year, as a result of the mild winter.

4 ASSEMBLYMAN HEVESI: I didn't know
5 about it until this moment. That's great. I
6 like it for weatherization. That's well
7 done.

8 Some of my questions about -- I'm
9 going to shift to the nonprofit sector. As
10 you know, the state minimum wage is going up.

11 EX. DEP. COMMISSIONER GUINN: Yes.

12 ASSEMBLYMAN HEVESI: Which is another
13 victory for the Governor and the Legislature,
14 which we should all be very proud of that
15 one.

16 I'm nervous about our providers not
17 getting made whole, because they're going to
18 have to accommodate for the \$15 minimum wage.
19 Is there anything in this budget that will
20 help the nonprofits deal with the increase in
21 the minimum wage?

22 EX. DEP. COMMISSIONER GUINN: I can
23 only speak to OTDA's portion of the Executive
24 Budget, and with respect to the nonprofits

1 that we contract with and that many of the
2 social services districts contract with for
3 services that we deliver through our agency,
4 most of those nonprofits, as we've looked at
5 our contracts, are already paying their
6 workers above the minimum wage based on the
7 nature of the services that are delivered for
8 our agency. So we're less in the direct care
9 than some other agencies.

10 ASSEMBLYMAN HEVESI: Okay. But there
11 are other nonprofit workers who are not at
12 the minimum wage, and my understanding from
13 the sector is they're concerned that once we
14 get closer to the minimum wage, they're going
15 to have trouble, you know, keeping up paying
16 those wages.

17 So I would, you know, respectfully ask
18 that you look in your future contracts to
19 help them out. I mean, they were incredibly
20 supportive in fighting for the minimum wage,
21 which was a big campaign, and I just don't
22 want them to get left behind or get hurt by
23 doing the right thing.

24 EX. DEP. COMMISSIONER GUINN: I would

1 agree.

2 ASSEMBLYMAN HEVESI: The Nonprofit
3 Infrastructure Capital Investment Program,
4 now forgive me, I normally don't ask
5 questions I don't know the answer to, but was
6 there any increase in that funding this year?
7 I don't think I've seen it. No, there is
8 not.

9 EX. DEP. COMMISSIONER GUINN: I do not
10 believe so. And that is not something that's
11 funded through our agency.

12 ASSEMBLYMAN HEVESI: That's not funded
13 through OTDA? It's a stand-alone, so I'm not
14 going to ask you about it anymore.

15 But let me put in a plug for the
16 Nonprofit Infrastructure Investment Fund.
17 It's a very important thing; the sector needs
18 it. Okay, so I just plugged it.

19 You and I have talked a little bit
20 about the SSP program in a prior hearing.

21 EX. DEP. COMMISSIONER GUINN: Yes.

22 ASSEMBLYMAN HEVESI: Just one quick
23 question about that. How are we doing with
24 the SSP program? I still have advocates who

1 are very concerned.

2 EX. DEP. COMMISSIONER GUINN: We think
3 we're doing very well with the SSP program in
4 terms of our ability to issue very important
5 benefits to disabled individuals. You know,
6 over 690,000 individuals every month are
7 receiving benefits on a timely basis.

8 In terms of some of the concerns that
9 have been raised in the past, I know that we
10 have been working and staff have been meeting
11 with the advocate community to see how we can
12 perhaps make some changes in terms of the
13 notices that we provide to ensure that
14 individuals understand what information we
15 need from them so that we can make sure
16 everyone is receiving the proper benefits.

17 ASSEMBLYMAN HEVESI: Okay. That's
18 great, and I appreciate that. I would
19 just -- I think I registered this when we had
20 a hearing on the matter. The \$90 million
21 cost savings to the state, I again will
22 recommend that maybe we even introduce
23 legislation to try to get that cost saving
24 redirected back to that population. I just

1 think that's equitable. So just on the
2 record for that.

3 So homelessness. It continues to
4 rise, and I know the Governor has done well
5 with supportive housing, but that doesn't
6 prevent the increase in homelessness. And I
7 know you have some programs for prevention,
8 but we haven't seen an increase in the
9 funding for either the shelter allowance or
10 another round of rental supplements. Is
11 there any thought given to those ideas? Not
12 in this budget, just generally.

13 EX. DEP. COMMISSIONER GUINN: Right.
14 In terms of prevention services, we do
15 authorize every county social services
16 district to help families and individuals out
17 in the event that they are behind in their
18 rent and a rent arrears payment needs to be
19 made in order to enable them to secure that
20 housing and not become homeless.

21 With respect to the shelter payments
22 and also shelter supplements, we permit every
23 social services district, again, to submit to
24 us a plan if they would like to provide an

1 increased shelter supplement for a particular
2 population in the event that they are having
3 difficulty accessing housing.

4 ASSEMBLYMAN HEVESI: I appreciate
5 that. And I know that that's the standard
6 practice of the rent supplements. I would
7 just suggest in a crisis that continues to
8 grow, worst since the Great Depression, and
9 has grown on the Governor's watch, that the
10 state may want to consider stepping up with
11 either a shelter allowance raise or, even
12 better, a rental supplement. But that's just
13 for another day.

14 So the very vocal ladies and gentlemen
15 who spoke just a minute ago about the rent
16 cap, I know that you have acted on that in
17 the budget, and I'd like to thank you for
18 that. One question about that, and then one
19 little -- it's not nitpicking, but an
20 objection.

21 So the cost of living identified for
22 the HIV rent cap, does that -- how does that
23 compare to the HUD fair market rent standard?
24 We don't have the specifics on that yet, so

1 I'm just curious.

2 EX. DEP. COMMISSIONER GUINN: So what
3 is included in the budget is to permit,
4 again, each social services district the
5 option of providing an enhanced shelter
6 allowance beyond the enhanced shelter
7 allowances currently available to any
8 individual with HIV. And the localities can
9 again submit a plan to us if they would like
10 to -- if they feel that they need an increase
11 in that supplement, again, to keep that
12 vulnerable population stably housed, they're
13 able to do that.

14 ASSEMBLYMAN HEVESI: Right. Which is
15 a good policy, and I'm glad the Governor's on
16 board. The one flaw, I would respectfully
17 suggest, is that by not making it a mandate
18 and not funding it, there's no way the
19 counties are going to do it. They're
20 cash-strapped. So it's a great idea that's
21 just not going to come to fruition. And I
22 would like to see some money behind it.

23 Am I done?

24 CHAIRWOMAN WEINSTEIN: Yes.

1 ASSEMBLYMAN HEVESI: Okay. I'm done.

2 CHAIRWOMAN WEINSTEIN: Thank you.

3 CHAIRWOMAN YOUNG: Our first speaker
4 is Senator Velmanette Montgomery.

5 SENATOR MONTGOMERY: Thank you, Madam
6 Chair.

7 Good afternoon.

8 EX. DEP. COMMISSIONER GUINN: Good
9 afternoon.

10 SENATOR MONTGOMERY: I want to ask you
11 specifically about the Summer Youth
12 Employment Program.

13 So I note that there is an increase --
14 what is it, a \$4 million increase --

15 EX. DEP. COMMISSIONER GUINN: Yes.

16 SENATOR MONTGOMERY: -- for summer
17 youth employment. But that doesn't really
18 reflect an expansion of the program, it just
19 tries to address the issue of an increase in
20 minimum wage, is that what that reflects?

21 EX. DEP. COMMISSIONER GUINN: That is
22 correct. The \$4 million increase is provided
23 specifically to make sure that the youth
24 employed in those programs throughout the

1 summer are provided the minimum wage.

2 SENATOR MONTGOMERY: Okay. So are you
3 aware of what the city already matches in
4 order to increase the number of young people
5 that are served by this program?

6 EX. DEP. COMMISSIONER GUINN: I don't
7 have the city numbers with me, but I am well
8 aware that the City of New York contributes
9 significant city funding in addition to the
10 state dollars that are provided for youth in
11 the city.

12 SENATOR MONTGOMERY: Okay. So the
13 fact of the matter is that this is really a
14 major piece as it relates to having young
15 people have access at least in the summer
16 months. Is there any planning or any
17 discussion in your agency about the
18 possibility of extending this program? What
19 would it take to actually increase the number
20 of slots, the number of young people we could
21 serve?

22 And especially in light of the fact
23 that we now have the Raise the Age program,
24 where we anticipate hopefully having more

1 young people be able to be employed with some
2 sort of a subsidy making that possible, is
3 there any planning that you have been able to
4 initiate regarding, one, extending the number
5 of slots in Summer Youth Employment, and also
6 creating a year-round employment program for
7 young people where we can actually count
8 them?

9 Now, I know you have another youth
10 employment program at Department of Labor, I
11 believe, and I will ask them. But I've never
12 been able to figure out how many young people
13 actually benefit from that program. And we
14 keep putting more and more money in it, but I
15 don't see any accountability for it.

16 So -- but the Summer Youth Employment
17 we do at least have some accountability. So
18 I'm just wondering if you have started to
19 talk to the Labor Department, to whatever
20 other departments as it relates to creating
21 an infrastructure, if you will, a social
22 infrastructure that supports employment of
23 young people in particular, in a way that we
24 can see that it's accountable to us as

1 elected officials, to you as the agency? Is
2 there any planning that's being done around
3 that?

4 EX. DEP. COMMISSIONER GUINN: So, you
5 know, we definitely appreciate the time of
6 the summer is the time when most youth are
7 looking for employment and have the time to
8 dedicate to employment. And so again, we're
9 proud to have the summer youth program to
10 provide those opportunities for youth.

11 With respect to year-round programs,
12 many of the summer youth programs are
13 operated and administered through agencies,
14 local Workforce Investment Boards or -- and
15 in the city, of course, the Youth Department,
16 where there are opportunities for some youth
17 to continue to have employment throughout the
18 year based on services that are provided
19 through that agency.

20 SENATOR MONTGOMERY: So what does it
21 look like going forward in terms of your
22 initiating something, a planning process,
23 especially targeting young people?

24 EX. DEP. COMMISSIONER GUINN: Again,

1 the funding that's available for our agency
2 is for the summer, it is targeted to the
3 summer --

4 SENATOR MONTGOMERY: I know. I
5 understand that. That's what we have now.
6 But going forward, I'm just looking for some
7 kind of --

8 EX. DEP. COMMISSIONER GUINN: I mean,
9 certainly we would be open to having
10 discussions about what room there may be to
11 be able to expand that program to provide
12 more opportunities for year-round employment.

13 Again, we certainly encourage not only
14 the providers of summer youth but other
15 employment services providers to target
16 youth, in particular older youth who may be
17 through with their high school experience so
18 that they're able to secure full-time
19 employment or expand on their education.

20 SENATOR MONTGOMERY: I appreciate
21 that. We know what's going to be needed,
22 it's just how do we get ahead by planning
23 ahead, rather than waiting until the crisis
24 is there and then we go back to old habits of

1 incarcerating juveniles.

2 EX. DEP. COMMISSIONER GUINN: Right.

3 And again, you know, obviously individuals
4 with a history with criminal justice is one
5 target population for the summer youth
6 program. And also a target population for
7 the services that are provided both through
8 the social services agencies throughout the
9 state, but also the local Workforce
10 Investment Boards.

11 SENATOR MONTGOMERY: Okay. Thank you.

12 EX. DEP. COMMISSIONER GUINN: Thank
13 you.

14 CHAIRWOMAN YOUNG: Assembly?

15 CHAIRWOMAN WEINSTEIN: Yes,
16 Assemblyman Goodell.

17 ASSEMBLYMAN GOODELL: Thank you very
18 much, Ms. Guinn. And also, thank you very
19 much for the openness of OTDA, with
20 Commissioner Roberts and others, to meet with
21 us. It's very helpful and very much
22 appreciated.

23 EX. DEP. COMMISSIONER GUINN: You're
24 welcome.

1 ASSEMBLYMAN GOODELL: It seems to me
2 that OTDA actually has several missions.
3 One, of course, is to help those who are in
4 need right now. But a second mission ought
5 to be to help people become successful
6 financially so that it connects various
7 opportunities in life. And sometimes I'm
8 concerned that those two missions may not
9 necessarily mesh, particularly as it relates
10 to benefit cliffs that trap people from
11 leaving welfare because, as their income
12 slowly increases, they reach thresholds where
13 their benefits dramatically drop.

14 Is the department working on that
15 issue? And is that reflected in this budget?

16 EX. DEP. COMMISSIONER GUINN: We
17 certainly are looking at the issue, both at
18 the programs and services that we deliver but
19 also other programs and benefits that are
20 available to low-income households.

21 We know that households are better off
22 when they're able to enter the workforce, and
23 we want to do everything we can to encourage
24 individuals to enter the workforce. As part

1 of that, the way our public assistance
2 programs are structured do permit a
3 significant portion of an individual's
4 earnings to be disregarded or not considered
5 in terms of determining the benefit level
6 that they are eligible for.

7 For households with children, we
8 disregard 50 percent of those wages. Again,
9 a very specific policy targeted to
10 encouraging people to go to work and
11 supporting working families.

12 In addition, we -- again, working with
13 our county social services agencies, do
14 everything we can do help people to continue
15 to access any benefits that they may be
16 eligible for after they go to work, including
17 the SNAP programs that some incomes at higher
18 levels may be eligible for. And those who go
19 to work are eligible to receive SNAP for at
20 least a five-month period, which is
21 considered, again, to help them transition as
22 they move into the workforce.

23 And then in addition to that, I guess
24 just obviously the increase in the minimum

1 wage has been particularly helpful for the
2 population that we serve, along with the
3 ability -- the expanded access to health
4 insurance so that people don't have to make
5 the choice between staying on welfare and
6 going to work and potentially losing health
7 insurance.

8 ASSEMBLYMAN GOODELL: While I'm
9 certainly appreciative of all those efforts,
10 as you realize, sometimes those benefit
11 cliffs can amount to thousands of dollars in
12 loss of benefits based on a \$1 increase in
13 wage. So I would encourage the department to
14 consider and to think innovatively on how to
15 address that issue.

16 I wanted to talk a little bit about
17 the homeless service program. Certainly
18 this is a very, very serious issue in
19 New York City, and I support and encourage
20 the efforts that the department is making in
21 that area. The homeless issue, though,
22 varies across the state. I mean, we have a
23 wealth of different situations.

24 In my county we have a homeless

1 shelter for men; there's no waiting list, and
2 they house roughly 20 people. So it seems
3 that a mandated requirement to the social
4 services departments across New York State,
5 without any funding assistance to come up
6 with a comprehensive plan, might be very
7 appropriate in some areas and not appropriate
8 in other areas.

9 Is there any discussion about making
10 that more flexible to address the homeless
11 situation that varies dramatically across the
12 state?

13 EX. DEP. COMMISSIONER GUINN: We
14 certainly recognize that the issue of
15 homelessness varies tremendously from one
16 area of the state to another. In some areas
17 we're seeing increases in homelessness, and
18 there are areas of the state that are
19 actually seeing some slight declines in the
20 number of homeless.

21 The comprehensive planning process is
22 really just to make sure that the number
23 of -- the various both levels of government
24 and then also the service delivery agencies

1 that are out there are talking to one
2 another, to make sure that they are
3 adequately planning and targeting resources
4 dedicated to serving individuals who are
5 homeless.

6 Obviously, for an area of the state
7 that has few homeless individuals, that
8 planning process will probably be much easier
9 for them. And if they have the resources
10 available, you know, they're in a good place,
11 and it should be fairly simple for them to be
12 able to not only provide a plan for us in
13 terms of the coordinated delivery of those
14 homeless services but also to see if there
15 are certain pockets, certain target
16 populations, perhaps, that they need to focus
17 on. And again, to work with others within
18 their locality to try to address those
19 specific needs.

20 ASSEMBLYMAN GOODELL: One last
21 question, at least in this time frame. I see
22 the Governor has put aside money for a
23 comprehensive case management for vulnerable
24 young people. It's my understanding it's

1 about a million dollars that he's put into
2 that. Is that targeted specifically to
3 unaccompanied, undocumented minors? Is that
4 the focus of that program?

5 EX. DEP. COMMISSIONER GUINN: The
6 focus of the program is really vulnerable
7 youth, many who are immigrant youth on Long
8 Island, to make sure that they have access to
9 services and supports that they may need to
10 stay in school and to move along a positive
11 path and not be tempted to be influenced by
12 some of the gang activity on Long Island.

13 ASSEMBLYMAN GOODELL: And do you have
14 an overall budget impact on what we're
15 spending for unaccompanied, undocumented
16 minors?

17 EX. DEP. COMMISSIONER GUINN: I do
18 not.

19 ASSEMBLYMAN GOODELL: Okay. Thank
20 you.

21 EX. DEP. COMMISSIONER GUINN: Okay,
22 thank you.

23 CHAIRWOMAN YOUNG: Thank you. And
24 welcome today. Very glad to have you.

1 I have a few questions that I'd like
2 to go over.

3 Although the Executive Budget presents
4 a 1.4 percent decline in family assistance
5 caseload, it contains an increase in
6 appropriation authority of \$99.3 million for
7 family assistance/ emergency assistance for
8 families. So one of the questions that I had
9 has to do with the fact there is a declining
10 overall caseload. So in light of that, to
11 what factors can this increased expenditure
12 be attributed? Because it doesn't really
13 seem to add up.

14 EX. DEP. COMMISSIONER GUINN: Right.
15 You know, as you know, public assistance is
16 an entitlement program and we wanted to make
17 sure that there was sufficient budget
18 authority to meet any need in terms of, you
19 know, in the event that there is an increase
20 in costs associated with the program. But
21 you are correct that in general we are
22 looking at a pretty flat overall caseload.

23 CHAIRWOMAN YOUNG: Okay. So I think
24 we need a closer look at that particular

1 appropriation.

2 But do you see this increase as the
3 start of an ongoing trend or more of an
4 isolated occurrence?

5 EX. DEP. COMMISSIONER GUINN: Some of
6 it is associated with the increased rental
7 supplement payments in the city that we're
8 projecting. We do not predict that we will
9 have -- you know, increased caseload is not
10 what we're predicting for the future. We're
11 hopeful that it will continue to be
12 relatively flat.

13 CHAIRWOMAN YOUNG: Thank you for that
14 answer.

15 And with regard to the Safety Net
16 Assistance Program, the Executive Budget
17 proposes an increase -- an appropriation
18 authority of \$14.7 million or, on a projected
19 caseload basis, an increase of 0.4 percent.
20 So what do you attribute the increase in
21 safety net caseload to?

22 EX. DEP. COMMISSIONER GUINN: And
23 again, you know, similar to my response with
24 respect to the families caseload, we are --

1 it's an entitlement program and we just want
2 to make sure that there is sufficient
3 authority so that we're able to meet any
4 needs that may present themselves.

5 CHAIRWOMAN YOUNG: Thank you.

6 Just switching gears, regarding the
7 homelessness issue that we have here in the
8 state. As you know, there's been a growing
9 problem with increasing levels of
10 homelessness. And that's not just in
11 New York City, it's across the entire state.
12 Recently the Governor announced new pending
13 regulations from OTDA to require that local
14 social services districts develop and
15 implement comprehensive homeless service
16 plans addressing activities related to street
17 outreach and homelessness prevention, rapid
18 rehousing and ongoing housing stability for
19 the formerly homeless.

20 The Governor's budget also adds new
21 language to the public assistance
22 appropriations allowing OTDA to withhold
23 funding or deny reimbursements to local
24 districts that fail to implement an effective

1 plan.

2 So I have several questions around
3 this issue. First of all, when do you
4 anticipate these new regulations being
5 released?

6 EX. DEP. COMMISSIONER GUINN: We're
7 working now on both the regulations and
8 corresponding guidance that will go out to
9 the social services districts. And I would
10 expect that that would be something that
11 would be available within a few months.

12 CHAIRWOMAN YOUNG: So will these new
13 regulations be filed for publication in the
14 State Register or proposed on an emergency
15 basis?

16 EX. DEP. COMMISSIONER GUINN: I don't
17 know that we've made a decision yet in terms
18 of how those would be filed.

19 But in terms of our guidance that we
20 issue to county social services districts
21 with respect to implementation of the
22 comprehensive homeless services plans, our
23 guidance always goes to the counties in
24 draft, giving them the opportunity to comment

1 and for us to be able to address those
2 comments before the policy is final.

3 CHAIRWOMAN YOUNG: I appreciate that
4 answer, because I was going to say that we
5 need to get stakeholder input on any new
6 regulations, so I'm glad to hear you say
7 that.

8 How does this new directive differ
9 from what's already required of local social
10 services districts?

11 EX. DEP. COMMISSIONER GUINN: Right
12 now, districts have plans for a number of
13 different program areas, but we do not have
14 any requirement that they submit to the state
15 a plan related to the provision of homeless
16 services. So this is new.

17 CHAIRWOMAN YOUNG: It is new, okay.

18 Are there or will there be established
19 criteria by which the effectiveness of a
20 local district's plan will be evaluated,
21 especially since OTDA would be able to
22 withhold any -- and I stress any -- public
23 assistance reimbursements to counties whose
24 activities are deemed to be ineffective? So

1 if you could address that, that would be
2 helpful.

3 EX. DEP. COMMISSIONER GUINN: You
4 know, again, we have information available
5 about a number of different strategies that
6 are available both for the prevention of
7 homelessness as well as outreach services,
8 which we particularly want to focus on and
9 make sure that there is effective year-round
10 outreach to make sure that anyone who needs
11 housing is aware of those supports that are
12 available.

13 You know, although the appropriation
14 language clearly gives us the authority to
15 withhold reimbursement, that certainly is not
16 our objective. We will be working closely
17 with every county in the development of their
18 plans, and in the event that they have any
19 difficulty in terms of moving the needle and
20 achieving outcomes, we will work closely with
21 them in order to perhaps amend their plan, to
22 make sure that we see positive outcomes.

23 And so, you know, while there is
24 authority there, we don't expect that that's

1 something that we will need to rely on,
2 because we know that the counties take the
3 issue of homelessness as seriously as we do.

4 CHAIRWOMAN YOUNG: I'm somewhat
5 concerned about the one-size-fits-all
6 approach, particularly as it pertains to
7 street outreach. So for example, in most
8 rural areas of the state there may be some
9 people on the streets, but a lot of times
10 they're hidden in the countryside. They may
11 be living in an abandoned barn or chicken
12 coop. Certainly in -- one experience that
13 I've had is my father actually found someone
14 living in one of his barns. And so we worked
15 together to get that person to the county
16 social services department, got them a place
17 to live.

18 But there are certainly people who are
19 homeless in rural areas, but they're not
20 necessarily living on the streets. So
21 couldn't it be considered, you know, a
22 problem, especially since we have limited
23 resources, to require rural counties to
24 engage in planning and other activities

1 related to street outreach? Aren't there
2 other things that could be a better use of
3 money and time?

4 EX. DEP. COMMISSIONER GUINN: I assure
5 you it will not be a one-size-fits-all.
6 Again, you know, obviously in rural areas the
7 need for outreach will differ than from urban
8 areas. In rural areas where there may not be
9 large numbers of individuals who are homeless
10 who are unsheltered, it could be that the
11 county social services agency is simply
12 working both with local law enforcement in
13 terms of making sure that they're aware,
14 again, of the services that are available for
15 the homeless, as well as the range of service
16 providers in the county who may come in
17 contact with individuals who may find
18 themselves homeless, again, to work with
19 those service providers to make sure they too
20 understand that the county social services
21 agency can provide help for an individual who
22 is homeless, and to encourage that individual
23 to seek those services.

24 CHAIRWOMAN YOUNG: But you would still

1 require the counties to do street outreach
2 and do those kinds of planning activities?

3 EX. DEP. COMMISSIONER GUINN: We would
4 expect that they have an outreach plan.
5 Again, it doesn't need to look the same way
6 in every area of the state.

7 CHAIRWOMAN YOUNG: Okay. Thank you.

8 So are there new resources from the
9 state that are being made available to assist
10 the local districts in tackling the growing
11 problem of homelessness?

12 EX. DEP. COMMISSIONER GUINN: Again,
13 the state budget permits any social services
14 agency to put a plan forward in the event
15 that they need additional help in shelter
16 payments, to make sure that individuals are
17 able to be housed. So -- and the ongoing
18 public assistance funding streams are
19 available to provide those services to
20 individuals.

21 CHAIRWOMAN YOUNG: So it's just the
22 typical ones that already exist is what
23 you're saying.

24 How closely does OTDA work with local

1 governments in implementing anti-homelessness
2 programs and other activities in order to
3 guarantee the most efficient and effective
4 use of funding?

5 EX. DEP. COMMISSIONER GUINN: So we
6 work both with social services districts and
7 then also through our funding of a range of
8 nonprofit providers to provide homeless
9 prevention and rapid rehousing services.

10 Certainly through our new initiative
11 to develop these comprehensive plans, we're
12 going to also enhance our staffing in terms
13 of dedicating existing staff -- additional
14 staff will be dedicated to this function to
15 make sure that we're getting information to
16 the counties about effective outreach as well
17 as other prevention services for the
18 homeless. And also working with them as they
19 seek to move people out of homelessness and
20 into permanent housing.

21 CHAIRWOMAN YOUNG: I just was curious
22 about the different state agencies and how
23 you interact. So one of the factors in the
24 growing homelessness problem has to do with

1 this explosion of people who are addicted to
2 heroin and other opioids. So are you working
3 closely with OASAS and maybe HCR? Because
4 obviously there are supportive housing
5 programs that are out there, there are
6 addiction treatment programs that are out
7 there. And how does that interaction happen
8 at the top on the state level?

9 EX. DEP. COMMISSIONER GUINN: Right.
10 So we are working closely with HCR in terms
11 of the creation of additional affordable
12 housing, and from our lane, with OTDA,
13 specifically with supportive housing.

14 We also have been working with the
15 Office of Alcohol and Substance Abuse
16 Services. They have dedicated additional
17 resources to bring substance use disorder
18 services into the shelter system -- again, to
19 try to deal with the underlying cause of
20 homelessness, or what is one of the many
21 underlying causes of homelessness. They have
22 provided those services already in New York
23 City, and we are in the process of expanding
24 that to many other areas of the state, again,

1 where those individuals will be pushing those
2 substance use disorder services into the
3 shelter system to try to encourage
4 individuals to access treatment they may need
5 so that they are no longer addicted.

6 CHAIRWOMAN YOUNG: Thank you for that.
7 And what about the Office of Mental Health?

8 EX. DEP. COMMISSIONER GUINN: Again,
9 we also are working with the Office of Mental
10 Health on a similar initiative where those
11 types of mental health services -- again,
12 kind of going outside of the traditional
13 delivery mechanism for delivering mental
14 health services, but also to try to push
15 those services into the shelter system.

16 CHAIRWOMAN YOUNG: Thank you.

17 CHAIRWOMAN WEINSTEIN: I have two
18 quick questions.

19 You mentioned about the additional
20 resources to HEAP. Is that to provide
21 supplements to people who have already
22 received HEAP grants? Or is it to expand to
23 a larger group?

24 EX. DEP. COMMISSIONER GUINN: So it

1 would enable someone who may have already
2 received an emergency benefit to receive an
3 additional emergency benefit later in the
4 heating season. And then -- so that's for
5 the emergency benefit component.

6 And then with respect to
7 weatherization, that would be a new number of
8 households that would be eligible to receive
9 weatherization services.

10 CHAIRWOMAN WEINSTEIN: And will you be
11 issuing some guidelines on how people can
12 access those funds?

13 EX. DEP. COMMISSIONER GUINN: Yes.
14 Yeah, we will be issuing guidelines to the
15 social services districts who are responsible
16 for delivering those benefits, and then also
17 kind of getting information out there through
18 the press about the availability of the
19 benefits.

20 CHAIRWOMAN WEINSTEIN: Great. And
21 then a few questions that I was interested in
22 have been asked, but I wanted to know what
23 the status of funding for the refugee
24 resettlement agencies -- how many people have

1 been served and have federal reductions been
2 restored, if you're aware?

3 EX. DEP. COMMISSIONER GUINN: So the
4 funding that's available in our budget to
5 support the resettlement agencies has been
6 issued and made available to them to provide
7 services.

8 At this point we -- you know, we are
9 kind of on the watch for what's happening at
10 the federal level. So far, with the
11 continuing resolutions, we have not seen
12 reductions but, you know, in communication
13 with the federal government we -- you know,
14 we know that some of that funding is tied
15 obviously to the number of refugees that are
16 coming into and settling in the State of New
17 York. That number is on the decline, and so
18 it is certainly possible that, along with the
19 decline in the number of refugees being
20 placed in the state, that we will see a
21 reduction in federal funds.

22 Again, at this point, that has not
23 been seen.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 Senate?

2 CHAIRWOMAN YOUNG: Senator Krueger.

3 SENATOR KRUEGER: Thank you.

4 Good afternoon. In your testimony you
5 talk about expansion of SNAP outreach and
6 specifically as part of the Governor's No
7 Student Should Go Hungry. So I know from the
8 Higher Ed hearing we discussed food pantries
9 at every campus, which really is perhaps a
10 necessary thing, but not really a solution.

11 So what are you going to be doing to
12 help ensure that students at our campuses are
13 participating in the SNAP program? Because
14 they have to meet school or work requirements
15 under the federal law.

16 EX. DEP. COMMISSIONER GUINN: That's
17 right, Senator. The federal SNAP program
18 does have very specific requirements for when
19 a student in higher education can or cannot
20 receive SNAP benefits.

21 So what we're looking to do is to
22 maximize, within the confines of those
23 federal regulations, participation by
24 individuals in higher education, including

1 college, their access to SNAP benefits. Part
2 of that -- one of the provisions that would
3 make an individual eligible is if they are
4 participating in any form of work-study. And
5 so we are working with some of our outreach
6 providers to design specific materials for
7 that population and other ways of
8 communicating with that population for anyone
9 who is in work-study, that they know that
10 they may be eligible for SNAP and to
11 encourage them to apply.

12 We are also again looking at the
13 various provisions within the federal
14 regulation to see where perhaps we could be
15 more flexible and take additional steps to
16 reach out to low-income college students to
17 see if we can do more to get them to access
18 SNAP benefits.

19 SENATOR KRUEGER: Thank you. And I
20 would urge you to also take a look at whether
21 there's the flexibility under federal
22 regulations to define assorted forms of
23 student aid as if it was work-study money.
24 Because sometimes we give students money

1 through a variety of streams to assist them
2 with tuition and books, et cetera, and we do
3 have work and school requirements on them.
4 And I'm just not sure whether there isn't a
5 broader way to define work-study as opposed
6 to just a federal work-study program.

7 EX. DEP. COMMISSIONER GUINN: Okay.
8 That's an excellent suggestion, and certainly
9 we'll look into it to see whether or not
10 there is additional flexibility there within
11 the federal regulation to do so.

12 SENATOR KRUEGER: So there was a lot
13 of discussion with your predecessor here
14 about how we seem to have different rules
15 about giving money depending on where you are
16 in the state.

17 So I represent New York City, which I
18 think does have the highest number of
19 homeless people, singles and families, in the
20 state. And we continue to see that the City
21 of New York alone has to pay 10 percent of
22 the share for emergency assistance for
23 families as our homeless family population
24 grows. Is there anything we can be doing

1 about that?

2 EX. DEP. COMMISSIONER GUINN: Again,
3 as you've noted, that was part of last year's
4 enacted budget. And that 10 percent share
5 for New York City, when it comes to services
6 for families, is included in this year's
7 Executive Budget.

8 SENATOR KRUEGER: So it also appears,
9 for a variety of different reasons, in
10 funding formulas that as the city's costs for
11 homeless families and individuals continues
12 to rise, that the state has figured out how
13 to only bear about 5 percent of the cost
14 increases. Do you know what the state bears
15 as the cost increases for services for the
16 homeless other than in New York City?

17 EX. DEP. COMMISSIONER GUINN: I'm not
18 sure about the 5 percent. Again, when it
19 comes to services for families who find them
20 homeless, New York City is fully reimbursed
21 for those costs. Other than, again, the
22 emergency assistance component does have a
23 10 percent city share.

24 And then the safety net cost

1 associated with that population is treated
2 consistently with New York City as well as
3 the rest of state.

4 SENATOR KRUEGER: So it's not all your
5 department, it's many different agencies, but
6 we started about three years late on the
7 commitment for expansion of supportive
8 housing. And at I think the Housing
9 hearing -- it's several weeks ago now, so
10 I'm -- I've been in this room for many, many
11 weeks. I believe it was the supportive
12 housing providers --

13 CHAIRWOMAN YOUNG: It seems like
14 years, actually.

15 (Laughter.)

16 SENATOR KRUEGER: We're also suffering
17 vitamin A deficiencies, those of us who come
18 here every day.

19 The supportive housing providers made
20 a plea that if we sped up the timeline for
21 giving money for supportive housing, they
22 actually could move forward with projects
23 faster, that they actually have them in
24 queue, waiting for another round to move.

1 Can we do anything about speeding up
2 that process? Because I don't think you and
3 I and the Governor disagree we need more
4 supportive housing as soon as possible.

5 EX. DEP. COMMISSIONER GUINN: Right.
6 And I guess the good news is is that we are
7 on target with our projections with respect
8 to supportive housing. So again, you know,
9 begun in 2016. And between 2016 and 2017
10 we've been able to newly invest in over 2,500
11 units of supportive housing -- you know, a
12 portion of that which is funded through the
13 Office of Temporary and Disability
14 Assistance through our Homeless Housing and
15 Assistance Program.

16 So we are on target toward that 6,000.
17 I think that again, you know, we're
18 well-situated. Last year, with our HHAP
19 program, we were able to award the funds that
20 are available, and we look forward to another
21 round of funding being available, that we
22 will certainly reopen our application and get
23 those funds out as quickly as possible.

24 SENATOR KRUEGER: We may be on target,

1 but because of the growth in demand, we're
2 actually -- it seems like we're sliding
3 further behind from a supply and demand
4 perspective. And I have a stat here -- and
5 you may know if it's incorrect -- that New
6 York City dropped to a six-year low of only
7 being able to place 1500 homeless single
8 adults in supportive housing this year.

9 So while I am delighted that the state
10 has made a long-term serious commitment of
11 6,000 additional supportive housing units,
12 moving more quickly I think is imperative.

13 EX. DEP. COMMISSIONER GUINN: Okay.
14 Thank you, Senator.

15 SENATOR KRUEGER: So my ask is can we
16 look at reevaluating that timeline? Because
17 if in fact we have providers who are ready to
18 move forward with new sites, and we know that
19 we've made this multiyear commitment, let's
20 not delay in getting more units online.

21 EX. DEP. COMMISSIONER GUINN: Okay.
22 Thank you, Senator. And again, I think, you
23 know, with respect to the progress that the
24 state is making, certainly we are making good

1 progress. And I can say again with the funds
2 that are available to our agency for
3 supportive housing, that we awarded those
4 funds fully last year, and I suspect that we
5 will quickly award those funds again this
6 year after the budget is passed and we're
7 able to open up again that application
8 process for HHAP.

9 SENATOR KRUEGER: I appreciate that.
10 And I have some fantasy that there's a bigger
11 universe of people listening to our
12 discussion here who may represent other
13 streams of money in the state budget.

14 EX. DEP. COMMISSIONER GUINN:
15 Understood. Thank you.

16 SENATOR KRUEGER: Thank you.

17 CHAIRWOMAN WEINSTEIN: Assemblyman
18 Hevesi for a brief question.

19 ASSEMBLYMAN HEVESI: I guess my
20 question will be brief.

21 (Laughter.)

22 ASSEMBLYMAN HEVESI: It will be. Just
23 a point.

24 I just wanted to echo the comments of

1 Senator Young. I actually had the privilege
2 of traveling to Olean in the Senator's
3 district to talk homelessness, and I too am
4 nervous about a one-size-fits-all regulation.
5 That's problematic. I think of homelessness
6 as a kid of Queens, but we have to take into
7 account the homeless outreach program for
8 other counties.

9 But I will -- I just want to go on
10 record as saying that if it gets to the stage
11 where you're imposing new regulations, I'd
12 like you to keep that in mind. However, I'm
13 against the principle of this, that if a
14 local social service district doesn't get
15 somebody off the street quick enough, we're
16 going to take away public assistance
17 benefits. It seems punitive to the social
18 services district, it seems punitive to the
19 public assistance recipient, so I'm against
20 that in principle.

21 There's another way to go about
22 getting homeless people off the street
23 quickly, it's give the counties some extra
24 money so they can have homeless outreach.

1 That's the other way to do it.

2 So that's it. I just -- I also want
3 to end by saying you and the rest of the
4 staff at OTDA do a magnificent job under
5 really difficult circumstances, and I wanted
6 to say thank you for all your work.

7 Thank you.

8 EX. DEP. COMMISSIONER GUINN: Thank
9 you very much. And again, I assure you it
10 will not be a one-size-fits-all plan. You
11 know, again, we work very closely and have a
12 good working relationship with the counties,
13 and our goal is to make sure that there is a
14 comprehensive plan and that there is
15 outreach. And we do not anticipate getting
16 to the point of fiscal penalties because
17 again, as I said, we believe that the
18 counties take the issue as seriously as we
19 do.

20 Thank you for your comments.

21 CHAIRWOMAN WEINSTEIN: Assemblywoman
22 Jaffee.

23 ASSEMBLYWOMAN JAFFEE: Thank you.
24 Thank you very much.

1 I wanted to just raise awareness, just
2 reiterate what was just said, because I think
3 it's essential. I represent large areas in
4 Rockland County. And you know, I think that
5 most people would make the assumption that
6 there's very little homeless situation. It's
7 suburb, so one would suggest that.

8 But the numbers are really outrageous
9 and unfortunate and very sad. There are
10 many, many not just individuals but families
11 -- I mean, about a year ago I got a call in
12 my district from a gentleman who earns about
13 \$40,000 a year and he has a wife and I think
14 it was two or three children, I don't
15 remember, and he could not afford any more
16 the rent that he was paying. He wasn't
17 paying it quite at the level, and they threw
18 him out of the house, of his home, rental
19 apartment, and he was homeless, with his
20 three children and his wife.

21 That is happening all too often. And
22 to be able to assist and provide assistance
23 is very challenging when you don't have sites
24 that offer that. But here is someone who is

1 working, and there just wasn't the kind of
2 affordable housing that made it possible for
3 them to sustain that kind of environment with
4 their children.

5 Rockland County, because the numbers
6 have really gone up, we also have now a
7 homeless shelter. And I'm sure that you're
8 familiar with that, it's in a site that was,
9 from years ago, healthcare facilities.

10 But we need support and we need the
11 kind of financial support that was just
12 mentioned for our counties, for our
13 communities, so that we can assure that those
14 sites are provided staff, the environment is
15 safe, and that it enables them to provide the
16 services. And I hope counseling services
17 too, which is something that I'm sure that is
18 not all too often provided, but something I
19 believe we should so that we can stabilize
20 their emotional --- provide emotional
21 stability.

22 But we do need more assistance from
23 the state for these sites and for affordable
24 housing as well.

1 EX. DEP. COMMISSIONER GUINN: Okay.

2 Yes, I mean certainly it's a sad situation
3 when anyone is homeless, but in particular
4 when it's a family with children. Obviously
5 that's a difficult thing and certainly it
6 must be extremely painful for the parent to
7 be in that situation.

8 Again, with respect to homeless
9 housing, we do fully reimburse the costs
10 associated with homeless services for
11 families. And so we're doing that and
12 maintaining that because we do want every
13 social services district to work closely with
14 the shelter providers to make sure that not
15 only the places where families may be housed
16 temporarily as they're searching for
17 permanent housing, we want to make sure that
18 those are safe environments for the families
19 and that also services are available for the
20 families as needed, including the important
21 services of getting that family permanently
22 housed.

23 Again, when it comes to permanent
24 housing, the Governor's primary -- our

1 primary investment in order to achieve that
2 goal is really through the infusion of funds
3 for affordable and supportive housing
4 throughout the state.

5 ASSEMBLYWOMAN JAFFEE: I also just
6 want to close by saying thank you. I know
7 that this is a very challenging situation,
8 many of them, to be able to be responsive to,
9 and thank you for your service.

10 EX. DEP. COMMISSIONER GUINN: Thank
11 you.

12 CHAIRWOMAN WEINSTEIN: Thank you.

13 Mr. Goodell.

14 ASSEMBLYMAN GOODELL: Thank you.

15 I wanted to get a little bit more
16 information about the HEAP. You mentioned we
17 have a second round of emergency HEAP that
18 we're processing.

19 From the budget perspective, how much
20 of the HEAP funding goes for regular HEAP and
21 what percent goes for emergency HEAP?

22 EX. DEP. COMMISSIONER GUINN: The vast
23 majority of the HEAP funds go for regular
24 benefits. So about 1.2 million individuals

1 receive a regular benefit, and a very small
2 number of households end up needing an
3 emergency benefit. Last year that was just
4 under 100,000 households.

5 ASSEMBLYMAN GOODELL: And from a
6 budget perspective, what's the ratio?

7 EX. DEP. COMMISSIONER GUINN: I'll
8 have to look and see if I have those numbers
9 with me in terms of the dollars spent.

10 But again, by and far, almost all HEAP
11 funds are dedicated to the regular HEAP
12 benefit program.

13 ASSEMBLYMAN GOODELL: One of the
14 concerns that I have, as you know, is I want
15 to focus our efforts on trying to help people
16 leave welfare and become successful so they
17 can improve their lifestyles, certainly.
18 That includes helping them with soft skills,
19 budgeting skills. My concern on the
20 emergency HEAP is that if you pay your bill
21 on time, you're ineligible, so the only way
22 you get it is if you don't pay your bill on
23 time. If you're just on the threshold, on
24 the pathway to self-sufficiency, a shutoff

1 could result in a financial crisis.

2 When you make an emergency HEAP award,
3 do you require that the recipient sign up for
4 balance billing or take other steps to
5 eliminate that type of emergency situation
6 from reoccurring?

7 EX. DEP. COMMISSIONER GUINN: Again,
8 you know, as noted earlier, most people who
9 receive a regular HEAP benefit are not in a
10 position of needing the emergency benefit.
11 But we're glad that the benefits are there
12 for those times when they do need it.

13 In some instances, that may be -- in
14 most instances, we would say that the need
15 that's there is because the household does
16 not have the resources necessary to meet the
17 high energy cost. We do not require people
18 to sign up for balanced budget planning --
19 again, which would apply for those who have
20 electric utility service.

21 But one thing that we do work -- we
22 work closely with the Public Service
23 Commission, and the Public Service Commission
24 does target households that receive HEAP to

1 automatically enroll -- with the ability to
2 opt out, but automatically enroll them in the
3 balanced budget plan. And then also to help
4 them make sure that they're accessing any
5 discount programs that may be available for
6 low-income households.

7 ASSEMBLYMAN GOODELL: Thank you very
8 much.

9 On a different issue, of course the
10 only way you can become -- one of the few
11 ways you can become financially successful is
12 if you have a job. Of course you might
13 inherit money or win the lottery or something
14 extraordinary, but for most people it's
15 getting a high-quality job and improving your
16 income.

17 If you lose your job, in order to
18 collect unemployment, you have to report to
19 the Labor Department weekly what your job
20 search efforts are. But if you're on social
21 services, we don't have any job search
22 requirement, do we? And my question is,
23 should we require individuals who are on
24 social services to be engaged in active job

1 search efforts similar to what we require
2 someone who's collecting unemployment, to
3 maximize their chance for financial success?

4 Just speaking personally, it's very
5 difficult to get a job without asking for
6 one. What are your thoughts on that?

7 EX. DEP. COMMISSIONER GUINN: We
8 provide a lot -- we do have a lot of
9 flexibility in terms of social services
10 districts and the extent to which people are
11 engaged. But, you know, in any given point
12 in time we do have a -- about 90 -- over
13 90,000 individuals are engaged in various
14 work-related efforts, whether that be, you
15 know, working, looking for a job, or perhaps
16 participating in an education or training
17 program to help them enter employment.

18 Again, strong believer and certainly
19 realize that, you know, living a life on
20 public assistance if you're capable of
21 working is not where we want people to stay.
22 We agree that it is most worthwhile for us to
23 be able to help individuals engage in efforts
24 to obtain a job. And I think that in most

1 areas of the state that county social
2 services districts are fairly aggressive in
3 helping individuals do that.

4 I would just add that in addition to
5 that we also think that the minimum-wage
6 increase is something else that has been very
7 beneficial in terms of making work pay for
8 people who do go to work so that it provides
9 a better opportunity for them.

10 ASSEMBLYMAN GOODELL: I appreciate the
11 fact that we have about 90,000 people engaged
12 in work activities. What's the total number
13 of people that are receiving assistance
14 through OTDA? I mean, you mentioned
15 1.2 million who are receiving HEAP. I mean,
16 is 90,000 like one-tenth --

17 EX. DEP. COMMISSIONER GUINN: No.

18 ASSEMBLYMAN GOODELL: -- of the people
19 who are receiving assistance? What's that
20 ratio?

21 EX. DEP. COMMISSIONER GUINN: We do
22 not have -- there are no work-related
23 requirements for the HEAP program. That's,
24 you know -- but for public --

1 ASSEMBLYMAN GOODELL: No, so my
2 question is what are the work-related
3 requirements as compared to your total
4 population?

5 EX. DEP. COMMISSIONER GUINN: Right.
6 So for public assistance we have about
7 540,000 individuals, but that does include
8 children who are in households. I have to
9 look at the number. I think we have about
10 200,000 cases receiving public assistance at
11 any point in time.

12 And I would say that about 50 percent
13 of those individuals are engaged in some
14 level of activity associated with employment.

15 ASSEMBLYMAN GOODELL: Thank you.

16 CHAIRWOMAN WEINSTEIN: Thank you for
17 being here. I think that we have no more
18 questions. If there are any, we will follow
19 up with you at a later time.

20 EX. DEP. COMMISSIONER GUINN: Okay,
21 great. Thank you very much.

22 CHAIRWOMAN WEINSTEIN: Next we have,
23 from the Department of Labor, Roberta
24 Reardon, commissioner.

1 Roberta, it's nice seeing you on dry
2 land, with all our travels around the state.

3 COMMISSIONER REARDON: Thank you very
4 much. It's nice to see you as well.

5 CHAIRWOMAN WEINSTEIN: So please feel
6 free to begin.

7 COMMISSIONER REARDON: Thank you very
8 much. Senator Young, Assemblymember
9 Weinstein, and distinguished members of the
10 committees, thank you for the opportunity to
11 discuss Governor Andrew Cuomo's proposed 2019
12 budget and the work of the Labor Department.

13 I am privileged to be directly
14 involved in many of the issues shaping the
15 economic landscape and setting a foundation
16 on which future generations can build. As
17 I've traveled to every corner of the state,
18 one thing is clear: Governor Cuomo and you,
19 the Legislature, have made possible the
20 increased economic opportunity and social
21 progress so many said was not possible.

22 New York State continues to be a
23 national leader and a role model for
24 workforce development. Since Governor Cuomo

1 came into office, every region of the state
2 has seen a dramatic drop in its unemployment
3 rate and has grown thousands of jobs. But
4 there is still a lot of work that we can do.

5 As more people find jobs, those
6 remaining in the talent pool have more
7 barriers to employment and need different
8 services. The Governor's groundbreaking
9 Unemployment Strikeforce began to address
10 this head on, starting in 2014 in the Bronx.
11 For businesses, Strikeforce staff work with
12 the local economic development players to
13 package available incentives and no-cost
14 services. Strikeforce staff engage with job
15 seekers more intensively, bringing services
16 directly to them in their own communities.

17 We saw great success, so we expanded
18 to other areas of the state and then expanded
19 again. And I'm happy to say to date, the
20 Unemployment Strikeforce has engaged more
21 than 100,000 individuals, with 77,000 finding
22 work.

23 Last March, Governor Cuomo launched
24 Vital Brooklyn, to transform the Central

1 Brooklyn region with strategic investments
2 addressing chronic disparities, systemic
3 violence and entrenched poverty. For our
4 part, and to augment Strikeforce successes,
5 the Governor set a goal of 7,500 hires in
6 target neighborhoods. And I'm happy to say
7 in less than a year, we have exceeded that
8 goal almost threefold, helping more than
9 20,500 individuals get hired.

10 We're also proud of our efforts to
11 help youth enter the workforce. 2018 marks
12 the sixth year of the New York Youth Jobs
13 Program, connecting at-risk youth to stable
14 jobs. These business tax credits have helped
15 nearly 83,000 youth find work with more than
16 2,200 businesses. This year, Governor Cuomo
17 wants to build on this success and encourage
18 even more businesses to participate by
19 increasing the maximum tax credit available
20 by 50 percent, meaning businesses could get a
21 credit of up to \$7,500 for a full-time youth
22 worker and \$3,750 for those employed
23 part-time.

24 But these groups are just a small

1 portion of the people we serve in many ways
2 across the state. Over the past year, the
3 New York State Career Center system served
4 nearly 500,000 people. This includes
5 individuals who come into one of our 96
6 Career Centers for career counseling and
7 basic skills courses, and thousands of others
8 who are using our technology solutions like
9 JobZone and resource rooms.

10 We also pride ourselves on our ability
11 to help businesses of any size find trained
12 and qualified job candidates. Last year,
13 this agency served 23,000 businesses and
14 hosted more than 1,100 recruitment events.
15 We also listed 1 million jobs on the
16 Governor's no-cost Jobs Express website for
17 2017, and that saves businesses thousands of
18 dollars on each listing.

19 But we can't rest on our laurels.
20 Technology and new generations of consumers
21 are rapidly changing the nature of work. More
22 baby boomers are retiring by the hour, and
23 those retirements are leaving a huge skills
24 gap. Governor Cuomo believes we can best

1 prepare by coordinating our efforts beyond
2 the confines of just our agency. This year,
3 he has proposed creating an Office of
4 Workforce Development and investing
5 \$175 million toward training tomorrow's
6 workforce, with a focus on emerging fields.
7 This is still under development, and we are
8 very excited to see it progress.

9 Today we celebrate these successes
10 while living in one of the most progressive
11 states in the U.S. As we marked the end of
12 2017, New York State took another step
13 forward under the nation's first statewide
14 \$15 minimum wage plan. Today we are on the
15 path to raising the wages of 2.3 million
16 workers and have already lifted more than
17 200,000 New Yorkers out of poverty since the
18 Governor took office -- all while seeing a
19 \$15.7 billion infusion into the state's
20 economy.

21 This year also marks the start of the
22 nation's most comprehensive paid family leave
23 policy. I have been very proud to highlight
24 this program to groups across the state and

1 share the benefits not only to workers, but
2 also to businesses who can expect to see an
3 uptick in employee retention and a more
4 predictable structure that allows time off to
5 be with loved ones in their time of need.

6 Last November we advanced proposed
7 regulations for on-call scheduling. These
8 practices, which have become more prevalent
9 in recent years, leave workers scrambling to
10 find childcare and force them to miss
11 appointments, classes, or important family
12 commitments. We proactively consulted key
13 stakeholders and then held four public
14 hearings across the state, including hours of
15 testimony from workers, advocates, industry
16 experts and business owners of all sides.
17 Their message was clear, that
18 unpredictability has a detrimental impact on
19 both employees and employers. We are
20 currently reviewing the comments.

21 We are very proud of our
22 lowest-in-the-nation gender wage gap, but we
23 know there is still more work to be done. I
24 am very excited about our gender pay gap

1 study, which I conducted last year, with
2 Lieutenant Governor Kathy Hochul, to identify
3 the root causes of the gender wage gap and to
4 make recommendations on how all New Yorkers
5 can continue to help close it. We will be
6 putting those recommendations out soon.

7 The Department of Labor is a key
8 partner in the Joint Task Force on Worker
9 Exploitation and Employee Misclassification,
10 and since 2011 this task force has recovered
11 a quarter of a billion dollars and returned
12 that money to more than 215,000 workers
13 victimized by wage theft and public work
14 violations.

15 We also have no-cost programs that
16 help businesses understand the labor laws in
17 their industry and on-site safety and health
18 consultations that can save businesses
19 thousands of dollars in potential fines. We
20 conduct thousands of inspections of amusement
21 devices, ski lifts, commercial boilers and
22 more, and we process thousands of asbestos
23 work certifications and mold contractor
24 licenses, all making sure to protect the

1 safety of all New Yorkers.

2 One final success I want to mark is
3 related to unemployment insurance, a system
4 that we boldly reformed together in the wake
5 of the Great Recession. Today, thanks to
6 those changes and the improving state
7 economy, the trust fund which pays for
8 workers' benefits is now healthy. As of
9 December 31, 2017, it has a balance of
10 \$1.9 billion. And that is a stark contrast
11 to the \$3.5 billion deficit just five years
12 ago.

13 Not only have we increased benefits
14 for workers, employers today are paying
15 nearly \$200 less per worker in overall
16 federal and state unemployment insurance
17 contributions compared to just a few years
18 ago, and that is true progress. And again I
19 want to thank you for the way that you
20 enabled us to do this.

21 I am very proud of the work that's
22 being done here in New York State, but there
23 is an important elephant in the room that I
24 would be remiss if I did not mention. As you

1 know, the Department of Labor is 90 percent
2 federally funded, and there is a storm cloud
3 currently hanging over Washington, D.C. At
4 risk are not only our life-changing workforce
5 development programs, but also unemployment
6 insurance administration funds so out-of-work
7 individuals can feed their families, and many
8 of the safety and health programs that allow
9 us to provide no-cost services to keep all of
10 New York safe.

11 But let me reassure you that despite
12 these many question marks, we are
13 collectively committed, now more than ever,
14 to helping all workers and businesses succeed
15 and thrive and make sure that all New Yorkers
16 are safe and healthy. Under Governor Cuomo,
17 we are running efficiently and, as our motto
18 states, we are looking ever upward.

19 Thank you very much, and I'm happy to
20 answer your questions.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 The Assembly Labor chair, Michele
23 Titus.

24 ASSEMBLYWOMAN TITUS: Thank you. Thank

1 you, Assemblywoman.

2 Commissioner, I want to thank you for
3 your testimony this morning.

4 COMMISSIONER REARDON: Thank you.

5 ASSEMBLYWOMAN TITUS: You are doing, I
6 believe, outstanding work as commissioner of
7 the Department of Labor, and there are so
8 many highlights we are still I guess
9 applauding that you've done with us, like our
10 minimum wage, paid family leave, scheduling
11 regulations, the gender pay gap. These are
12 all issues, of course you know, that we've
13 championed here in the Assembly and we're so
14 happy to now have as reality here in our
15 State of New York.

16 We of course love to identify those
17 programs that are working so that we can
18 invest and support, and you spoke about the
19 youth program, the New York Youth Jobs
20 Program. Could you, just for the record,
21 just expand on your description of that
22 program? I'm still -- the numbers are
23 beautiful, the title is beautiful, New York
24 Youth Jobs Program, but I really want to know

1 what industries are these positions in.

2 COMMISSIONER REARDON: So I don't have
3 a full list; I could get that for you. But
4 it is a myriad of businesses across the
5 state. It is not located in one area and is
6 in fact used all the way across New York
7 State.

8 We are very proud that 83,000 at-risk
9 youth have been connected to jobs. And the
10 fact that 2200 businesses use this program
11 really speaks highly of it, because it means
12 we have a lot of repeat customers.

13 I had the opportunity to speak with
14 the manager of Tops Markets in Western
15 New York recently, and they are a big user of
16 this program. And he was very, very excited
17 to have the program, he acknowledged how
18 helpful it was for him. He said they
19 actually -- with the tax credits, it created
20 100,000 hours that they could pay for through
21 this tax program, and he said think of what
22 that means in western New York, that amount
23 of employment that they could offer to youth.

24 So it is a very robust program. And

1 again, 2200 businesses and 83,000 workers
2 really says that there are a lot of
3 businesses who are happy to come back to it
4 over and over again.

5 ASSEMBLYWOMAN TITUS: And so once an
6 employer has qualified for this tax credit,
7 every year thereafter they will then be able
8 to still participate in this program?

9 COMMISSIONER REARDON: Yes. They get
10 an -- the initial year gets a tax credit.
11 The second year, if that employee stays a
12 second year, there's an additional credit.

13 But they can also hire new youth, and
14 they can apply for the tax credits for those
15 youth.

16 The other thing that's great about it,
17 I just want everybody to think about what
18 your first couple of jobs were like, how you
19 felt when you went out into the workforce and
20 held a job on your own. These are young
21 people who come from disadvantaged
22 backgrounds, they may not have families that
23 go to work every day, they may feel
24 overlooked by their communities, they may

1 feel kicked to the curb. And this is an
2 opportunity to get them going into a path of
3 work that may change their lives.

4 So we are very excited to be able to
5 connect these youth with these employers over
6 and over again.

7 ASSEMBLYWOMAN TITUS: Now, we are
8 increasing the tax credit by 50 percent. Why
9 do you believe that the department has --
10 what is the department's, I guess, vision in
11 this? And the increased oversight that we
12 are now proposing, why do you believe that
13 there should be this additional oversight?
14 Have there been cases of fraud or --

15 COMMISSIONER REARDON: We are hoping
16 that this will actually incentivize more
17 businesses to use the tax credit. It's
18 interesting that we -- you know, there are
19 very large employers that use it and we would
20 like to actually encourage more smaller
21 businesses to use it, we actually think it's
22 ideal for small businesses. So perhaps if
23 the tax credit is larger, it will attract
24 them to participating in the program.

1 But again, the success on the front
2 end of connecting young people to these jobs
3 is great, and we are hopeful that this will
4 actually encourage more employers to look
5 into the program and use it.

6 ASSEMBLYWOMAN TITUS: And as a result
7 of last year's enacted budget, how much
8 funding from the New York Youth Jobs Program
9 has been redirected to the Empire State
10 Apprenticeship Tax Credit Program?

11 COMMISSIONER REARDON: I believe it's
12 \$10 million, but let me get that answer for
13 you.

14 ASSEMBLYWOMAN TITUS: And the jobs our
15 youth have been connected to, has there been
16 any full-time -- are they still working in
17 those positions? Have those positions led to
18 like full-time?

19 COMMISSIONER REARDON: Some of them
20 are full-time employees, some of them are
21 part-time employees. And again, for youth
22 who have not really been in the workforce, a
23 part-time job is a good place to start.

24 One of the things that we hope is

1 happening is they get a first job and then
2 they move on to a better job, which is what
3 happened to me when I first started working.
4 So it's a way to begin the process and move
5 them along in their career path. But I can
6 get some harder numbers for you.

7 ASSEMBLYWOMAN TITUS: Okay, great.

8 And also another program, the Pay for
9 Success Program is also being increased or is
10 going to be -- \$69 million will be allocated
11 to that program. Again, what kind of
12 outcomes have you seen so far in that
13 program?

14 COMMISSIONER REARDON: The Pay for
15 Success is an interesting program. This
16 works with formerly incarcerated people
17 returning to the workforce. And it is a
18 social bond process.

19 I can get you more detailed
20 information, but it basically works with
21 people who are formerly incarcerated and gets
22 them back into the workforce.

23 ASSEMBLYWOMAN TITUS: Okay.

24 And then also I guess my final

1 question would be what is the role you
2 propose for the Department of Labor with the
3 new Office of Workforce Development? Who
4 will see that office, and what role will the
5 department have in that?

6 COMMISSIONER REARDON: So it is a very
7 exciting new proposal, and I said to some of
8 my fellow -- the other day at the office, the
9 plywood is up and the netting is on, it's
10 under construction. We don't know exactly
11 what it's going to look like because it's
12 just proposed. I don't know who the director
13 is going to be.

14 But it is a great opportunity to take
15 all of the workforce development programs
16 that we have in the state -- we have a lot of
17 them at the DOL, but obviously you just heard
18 from OTDA today that they also have, and
19 there are lots of them across the state.
20 It's a way to have an office that coordinates
21 the work of all the workforce development
22 programs and makes it easier for a worker to
23 find out where they can go to be upskilled,
24 where those jobs are located.

1 One of the focuses of this office will
2 be to make sure that the Regional Economic
3 Development priorities are acknowledged and
4 that all of the workforce programs are
5 aligned to support those programs. So I am
6 very eagerly awaiting the development to see
7 how this plays out, because it's a great
8 opportunity to take the resources that we all
9 have in our agencies and really have a robust
10 way to engage with the people of New York who
11 need them.

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

14 COMMISSIONER REARDON: Thank you.

15 SENATOR KRUEGER: Thank you.

16 Actually, I'm going to go first today,
17 as opposed to usually waiting till last.

18 So the youth employment tax credit,
19 we've got a \$40 million capped program and
20 you're going to expand the credit per
21 employer, so we're actually going to be
22 reducing the number of young people who are
23 getting jobs this way?

24 COMMISSIONER REARDON: No. Actually,

1 it increases the incentive for the employer.
2 There's no limit on the number of -- I mean,
3 it's -- credit is by the year that they are
4 in employment, so some of them go into a job
5 and they're there for a couple of months and
6 they move on. Some of them stay for the full
7 year and the employer gets the full year tax
8 credit. There are a lot of different ways
9 that the tax credit works.

10 So there's -- we're not limiting the
11 number of young people who can enroll, we're
12 actually incentivizing more employers to
13 participate.

14 SENATOR KRUEGER: So how does that
15 work? Since it's a capped program, when you
16 hit the cap you can't continue to provide tax
17 credits. So did we just have tax credits
18 going unused under the old system this year
19 or the year before?

20 COMMISSIONER REARDON: I am not clear
21 on that. We -- you know, that is -- I think
22 that's the Department of Tax and Finance that
23 handles the back end of it. We don't handle
24 the back end of it currently, we handle the

1 front end.

2 Under the new proposed increase, we
3 would have some certification duties yearly,
4 so we would know more about how it's playing
5 out at the back end. But I don't know if
6 it's been subscribed or not.

7 SENATOR KRUEGER: And the Governor
8 also talks about wanting to target this
9 program more to the new tech industries and
10 coordinate with Regional Economic Development
11 sort of, quote, unquote, identified needs.
12 So are you going to be changing the types of
13 jobs that people are approved for in this
14 program?

15 COMMISSIONER REARDON: No, we don't --
16 I mean, we don't actually approve the jobs,
17 we certify that the youth are part of the
18 demographic that's covered by this tax credit
19 and the business itself is certified.

20 I think when we talk about encouraging
21 tech and the REDC industries, it's more of an
22 engagement process. So for instance, our
23 business services workers from the DOL go out
24 to businesses and work with them to talk to

1 them about what kind of workers they need,
2 develop a pipeline.

3 But we also help them with tax credit
4 programs. And a lot of their advantages are
5 out there for businesses, so one thing our
6 business services reps will do is they could
7 target tech industry businesses, go out and
8 talk to them, what are your needs, what are
9 your deficits, what kind of training do you
10 think your workforce needs -- and by the way,
11 do you know that there's this plan that if
12 you hire at-risk youth you can apply for this
13 tax credit?

14 SENATOR KRUEGER: So even though you
15 explain that Tax & Finance handles, quote,
16 unquote, the back end, in theory Department
17 of Labor could provide us with a master list
18 of how many young people got jobs with this
19 tax credit in a year and how long they kept
20 the jobs and how much they earned on these
21 jobs?

22 COMMISSIONER REARDON: I don't know if
23 we go all the way into that. I mean, I know
24 how many people we have certified and how

1 many people have been hired. Not sure if we
2 have all the wage records. But I can find
3 out for you.

4 SENATOR KRUEGER: Okay, that would be
5 great.

6 And you raised a very important
7 concern. If the federal government drops
8 another bomb on us, so to speak, because they
9 just seem to like to do that, how many staff
10 would you actually be losing if you lost
11 federal funds that get used to pay for
12 Department of Labor staff?

13 COMMISSIONER REARDON: It's hard to
14 tell. We've seen a variety of budget
15 proposals. And of course we don't have a
16 budget right now so, you know, we're sort of
17 working in the dark a little bit. And some
18 of those proposals have been very draconian.
19 We have seen proposals that zeroed out
20 Wagner-Peyser. Wagner-Peyser is a program
21 that pays for the career center staff across
22 the state and across the nation. This isn't
23 aimed at New York State; this would affect
24 every state in the nation. So that would be

1 devastating.

2 I doubt that it would be zeroed out,
3 because the impact on red states would be
4 just as devastating as the impact on blue
5 states, but I think we will see some
6 reductions. There's been talk about reducing
7 the WIOA money, the Workforce Innovation
8 and -- and that pays a lot for workforce
9 training and the administrative support for
10 that. Again, a national program that would
11 affect every state in the union. And it's
12 hard to see that that would get a whack, but
13 it might get a haircut. So we are looking at
14 ways to handle that, but right now they're
15 contingency plans. We do not want to lay
16 anyone off. These services are critical in
17 the State of New York and the businesses as
18 well. So we will do as much as we possibly
19 can to do more with less if less is what we
20 get.

21 SENATOR KRUEGER: Thank you.

22 Assembly.

23 CHAIRWOMAN WEINSTEIN: Assemblyman
24 Bronson.

1 ASSEMBLYMAN BRONSON: Good afternoon,
2 Commissioner.

3 COMMISSIONER REARDON: Good afternoon.

4 ASSEMBLYMAN BRONSON: Nice seeing you.

5 COMMISSIONER REARDON: Nice to see
6 you.

7 ASSEMBLYMAN BRONSON: Let me start
8 with the Empire State Apprenticeship Tax
9 Credit. As you know, we worked together to
10 put this in the budget last year, and I know
11 your office launched guidelines at the late
12 part of the year.

13 Has there been any outreach to
14 businesses or marketing to businesses to
15 inform them of this important tax credit and
16 try to encourage them to apply for the tax
17 credit?

18 COMMISSIONER REARDON: Yes. So I
19 think I sent you the link when it went live,
20 I hope you got it.

21 ASSEMBLYMAN BRONSON: Yup.

22 COMMISSIONER REARDON: And we're very
23 excited about it, because the link is on our
24 website and there's a separate page that

1 explains the whole program. You know Jane
2 Thompson, who is our director of
3 apprenticeships, and she has a wonderful
4 staff and they have been working in every
5 region to make sure that this is a very
6 robust rollout.

7 Again, the business services people
8 are really important in this connection
9 because they go out and work directly with
10 businesses, and they are the front-line
11 soldiers to bring this information to
12 businesses in a region and offer them an
13 explanation of how it works and offer an
14 explanation of how to apply for
15 apprenticeship grants, an explanation of how
16 apprenticeship itself works. There are, as
17 you know, some misconceptions about what the
18 word "apprenticeship" means.

19 So we have a lot of tools at our
20 disposal. As you know, I travel all around
21 the state -- and am happy to do it, I must
22 say -- and I meet with a lot of different
23 groups. So I meet with workers' groups,
24 advocates' groups, I meet a lot with chambers

1 of commerce and industry and roundtables.

2 And I always mention whatever programs we
3 have. So we do talk a lot about what
4 apprenticeship means, first of all, and how
5 you can apply for this grant.

6 The thing that we're really interested
7 in is the New York State Registered
8 Apprenticeship Program, which is very robust
9 now. Most of the big programs are the union
10 apprenticeship programs, which have been
11 around for quite a while and are the gold
12 standard, quite frankly. They do it better
13 than anybody else. But we want to take the
14 model and attract other industries to begin
15 to pattern on what they've done so that we
16 can expand apprenticeship beyond the building
17 trades.

18 We know that, for instance, healthcare
19 and tech, IT, are two industries that are
20 really ripe for this, so we make a point of
21 really talking to them. They're also two
22 industries that are growing, and they need a
23 pipeline, so it's useful in all of those
24 ways. But we make sure that we connect with

1 as many employers as we possibly can, and we
2 try to do it in groups rather than just
3 one-on-one because it's an important message.

4 ASSEMBLYMAN BRONSON: So this is a --
5 I appreciate your enthusiasm about the
6 program and, you know, really just especially
7 the way this has developed. You know, there
8 is an enhanced tax credit if you are going to
9 employ disadvantaged youth,
10 16-to-24-year-olds. We're trying to target
11 it so it's expanding workforces, emerging
12 workforces, skills gap, and also to link it
13 to what we're doing with the economic
14 development programs and the anti-poverty
15 initiatives. So those objectives are very
16 valuable.

17 I think that a piece of the outreach,
18 though, needs to be helping businesses to --
19 you know, as you indicated, very difficult to
20 get apprenticeship programs through because
21 we want them to be good. So perhaps helping
22 businesses to adopt similar models to the
23 union apprenticeship programs. But since
24 they don't have employer associations, find

1 those industries that don't have it, like the
2 Manufacturing Association of Central New
3 York --

4 COMMISSIONER REARDON: Yes.

5 ASSEMBLYMAN BRONSON: -- and see if we
6 can develop models in that area so that we
7 can move industries forward. So I think
8 that's vitally important.

9 The Governor in his Article VII
10 language indicated that the proposal is for
11 business-related tax credit claims for three
12 years. Do you know if the intent is to
13 include this program as well as the New York
14 Youth Jobs Program? Or are they excluded
15 out? Because I don't think it's really clear
16 in the Article VII language. And it would be
17 extremely problematic, as we're working
18 toward workforce development, if, you know,
19 we're doubling the tax credit for youth, we
20 have this new program that's just getting
21 launched, and then we say we're going to have
22 a three-year delay on the tax credits for
23 businesses.

24 COMMISSIONER REARDON: I don't know

1 the answer, but I can get an answer for you.

2 ASSEMBLYMAN BRONSON: Okay.

3 Next question before we end our time.

4 So \$175 million for consolidated funding
5 applications, it looks to us like none of
6 this is new money, it's shifting money
7 around. A little bit contrary to what the
8 statement was originally. But you put in
9 there the words -- in several of the streams
10 of funding the proposal is to add the phrase
11 "workforce development."

12 As you well know, we negotiated a bill
13 that the Governor signed of mine that would
14 catalog all the job training programs
15 throughout New York State, and we had a lot
16 of back-and-forth on what workforce
17 development means.

18 COMMISSIONER REARDON: Yes.

19 ASSEMBLYMAN BRONSON: Yet now we have
20 language being put into this \$175 million
21 funding stream, but we're not defining it.
22 How do you define "workforce development" for
23 this CFA?

24 COMMISSIONER REARDON: So that

1 would -- that might be the purview of the
2 office of workforce development. I mean, I
3 know how we define it at the Department of
4 Labor. I'm not sure how they're going to
5 define it. So as I said, it's under
6 construction and we're waiting to see how it
7 rolls out.

8 But again, this is an exciting program
9 to coordinate all the various programs that
10 we currently have. And we have many, as you
11 know. We have been working to put together
12 that list and be able to get it out to the
13 public to use. And as you know, these
14 different programs are scattered throughout
15 all the agencies. So the hope is that this
16 office will be a coordinator of those efforts
17 and simplify some of the -- simplify the
18 search for the worker: How do I find a
19 training program for X? You know, how do I
20 connect with this kind of industry?

21 And that's the aspiration, and I hope
22 that we -- I hope that that's what we
23 actually do, because we really need it.

24 ASSEMBLYMAN BRONSON: Okay, my time is

1 up, but I'll come back and ask you more
2 questions about that office.

3 COMMISSIONER REARDON: Okay.

4 ASSEMBLYMAN BRONSON: Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 Senate?

7 SENATOR KRUEGER: Senator Jim Tedisco.

8 SENATOR TEDISCO: Thank you,
9 Commissioner Reardon, for your service and
10 for being here today and for taking the time
11 to give us your testimony.

12 I've got some individual questions on
13 individual issues I'd like to ask, but
14 because time is limited, I think I'll ask a
15 whole list of questions.

16 COMMISSIONER REARDON: Okay.

17 SENATOR TEDISCO: You used New York's
18 motto "Ever Upward" -- also "Still Higher."
19 It was never meant to mean still higher
20 taxes, mandates or regulations, it was meant
21 to be still higher quality of life for the
22 constituents we represent.

23 In terms of what you said about the
24 positive factors in New York State, I want to

1 know how it kind of squares with the fact
2 that we're the third-highest-taxed state in
3 the nation right now. You've probably seen
4 by all the economic indicators we've been
5 labeled as if not the worst, one of the worst
6 environments for small business in job
7 creation. Last year the dubious distinction
8 through some groups evaluating us, one of the
9 worst places to retire in the nation as a
10 state.

11 And you're probably familiar with Tax
12 Freedom Day, what that means. Tax Freedom
13 Day is for everybody that's sitting in this
14 room, all the people who work in New York
15 State, that's the day when we finally pay off
16 our taxes for local, state and federal
17 government and actually take a dollar home.
18 In May of this year, early on and into the
19 middle, that's Tax Freedom Day for New York
20 State -- close to five months. None of us
21 take a dollar home from our salaries to pay
22 our kids' tuition, our mortgage, buy a
23 Thanksgiving turkey.

24 In leading on from that, how does it

1 square when, of the 50 states in the nation,
2 there's three or four who lost population
3 over the last decade and over the last year.
4 We lost a million in population who left New
5 York State, migrated out over the last 10
6 years. You know we lost 190,000 who left New
7 York State last year.

8 What is it we're doing wrong that we
9 have these indicators in terms of keeping
10 people in New York State, attracting people
11 to New York State?

12 And when we talk about mandates and
13 regulations and piling on, recently the
14 Governor gave out an executive order about
15 scheduling for small businesses. You're
16 familiar with it. We had a hearing on that.
17 And it indicates that small businesses like
18 those who have car washes -- we have Hoffman
19 in this area -- those who do construction, do
20 roofing and things of that nature, you have
21 to schedule two weeks in advance. And if you
22 don't bring those employees in and if you
23 don't follow that schedule, you're penalized.

24 If I own a car wash, I've got to have

1 a crystal ball to know how those next seven
2 days are going to probably be. If it rains
3 for seven days straight at a car wash, I got
4 31 people sitting there looking at these
5 sponges not moving, because nobody's going to
6 bring their car in when it rains. Nobody's
7 going to send people up on the roof for that
8 second week.

9 How can we penalize those small
10 businesses for trying to follow through on
11 those guidelines? They don't have a crystal
12 ball, they don't know what the weather is.

13 So most significantly, I think some of
14 the actions belie the suggestions you're
15 making here. I wish it was the rosy picture,
16 part of which you paint. And I just want to
17 know how that squares with the fact that
18 we've lost 190,000 in population, we lost a
19 million -- why did that happen if there's
20 opportunity in New York State?

21 COMMISSIONER REARDON: So this is a
22 complicated question to answer because there
23 are lots of pieces. Let me start with the
24 tax part. As you know, every New Yorker

1 today pays lower taxes than they did the day
2 that Andrew Cuomo was elected, every single
3 New Yorker. Manufacturing taxes are the
4 lowest they've been since 1917. The
5 middle-class tax cut is going into effect for
6 the second year.

7 SENATOR TEDISCO: Yeah. I supported
8 that, and that's great.

9 COMMISSIONER REARDON: Yes, and I'm
10 sure we're very thankful for that.

11 So every New Yorker pays a lower tax
12 rate now than they did when Andrew Cuomo
13 first came into office. So he has worked
14 very hard to bring those taxes down.

15 I will say I'm sure you're aware of
16 the economic missile aimed at New York from
17 the federal government in the tax cuts, which
18 is actually going to be very devastating for
19 us --

20 SENATOR TEDISCO: Well, I've got to
21 interrupt you there. That missile hasn't hit
22 us yet.

23 COMMISSIONER REARDON: It's coming.

24 SENATOR TEDISCO: All the indicators

1 I've given to you -- I don't know if we're
2 lower or not in taxes. But when you're that
3 high -- if we're that much lower and we're --
4 why aren't we attracting people to come to
5 New York State rather than losing 190,000 in
6 population?

7 COMMISSIONER REARDON: We are lower.

8 As for the on-call scheduling, we held
9 four public hearings, we collected written
10 testimony from businesses as well as workers,
11 and we have been open for comments, which was
12 why I could not attend your hearing, and we
13 are now going through -- my staff is going
14 through the comments now. We have I think
15 800 comments in this last round, and I'm
16 going to sit down with them and we're going
17 to come up with a fair and equitable set of
18 regulations.

19 This is a complicated area. But I
20 want to remind everybody that on-call
21 scheduling is a relatively new way of
22 scheduling in the world of work. Twenty
23 years ago, if you worked in retail, you had a
24 schedule. Twenty years ago, you know,

1 25 years ago when I was -- probably longer
2 ago than that -- when I worked in a
3 restaurant when I was a young actor, I had a
4 schedule. And people knew what kind of
5 schedule they had and essentially what their
6 weekly take would be from their job because
7 they could figure it out.

8 When Walmart started the as-needed
9 inventory approach, suddenly people realized
10 that workers could be fungible, that they
11 didn't need to have a schedule the way they
12 used to, that they could plug them in like
13 robots or pieces into their work pattern.
14 And that created a great difficulty for
15 workers. It also creates a headache for the
16 employer. There is -- I read a story several
17 years ago about a large retailer on the East
18 Coast, I think it was Ikea, who had the
19 on-call scheduling software, and their sales
20 were falling. And I think it was the stores
21 here in Elizabeth and New York City, they
22 were getting a lot of complaints about their
23 workers, they weren't able to answer
24 questions, they were having a hard time.

1 They decided to try an experiment and
2 do what they do in Sweden, where the mother
3 company is. They got rid of the software and
4 they gave people shifts. Their profits went
5 up, they had fewer employees walking off the
6 job. And they had comments from their
7 customers saying "Your employees are great,
8 they know how to put these things together, I
9 can go and ask them my questions." They got
10 rid of the software and they gave their
11 people shifts.

12 So that is one thing that speaks to
13 the need for regularity, not just for the
14 worker but for the employer as well.

15 SENATOR KRUEGER: Thank you.

16 SENATOR TEDISCO: Well, thank you,
17 Commissioner, I appreciate your testimony.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 COMMISSIONER REARDON: Thank you.

20 CHAIRWOMAN WEINSTEIN: Assemblyman
21 Oaks.

22 ASSEMBLYMAN OAKS: Yes, Commissioner,
23 a few questions.

24 I know you had mentioned that you were

1 doing a pay equity study. And just in your
2 comments on working and different things,
3 just had a quick question. Unemployment rate
4 or working rate -- you know, number of
5 jobs -- do we separate those by gender to
6 know numbers who are working?

7 COMMISSIONER REARDON: Yes.

8 ASSEMBLYMAN OAKS: So if we look at
9 the figures we can figure those out?

10 COMMISSIONER REARDON: Yes. There's
11 an unemployment rate for men, there's an
12 unemployment rate for women.

13 ASSEMBLYMAN OAKS: Thank you.

14 In the issue of the family leave
15 program, you brought that up, is your agency
16 overseeing that? Do you have information now
17 on the number of businesses that have
18 established the program, who should have the
19 number of people who are withholding money
20 and whatever? Do we have any sense of that
21 type of compliance at this point?

22 COMMISSIONER REARDON: So the -- this
23 is actually overseen by the workers' comp
24 part of the world, and they -- the Workers'

1 Comp Board oversees the issues that arise
2 with it.

3 But we were very involved at the
4 Department of Labor in the rollout, and I did
5 a lot of speaking around the state, on behalf
6 of the Governor, to explain it to business
7 groups and workers.

8 I do not have that information. You
9 know, it just went into effect in January.
10 But it did require all private employers to
11 begin the deductions unless the worker filed
12 a waiver. And the waiver was substantiated
13 if that worker would never meet the
14 requirements to test into the family program.

15 It's weeks worked or hours worked,
16 depending on whether they're under 20 hours
17 or over 20 hours. But that was a mandate for
18 every private employer in the state.

19 ASSEMBLYMAN OAKS: And then I just
20 wanted to ask you a little bit on the
21 minimum-wage issue. You talked about it, it
22 was brought up. Do we have any numbers -- in
23 the most affected sectors that were paying at
24 minimum wage before we started increasing it

1 and today, do we have any numbers on job
2 gain, job loss in those sectors at all?

3 COMMISSIONER REARDON: In the minimum
4 wage where -- it's only a minimum wage, it's
5 a lower ridge.

6 ASSEMBLYMAN OAKS: So employers that
7 were paying at that rate, are we seeing fewer
8 people, more people?

9 COMMISSIONER REARDON: It's fairly
10 early to have that data. So we're one year
11 in, I know we are gathering the data and
12 we're analyzing it. But, you know, labor
13 stats take a while to put together. So I
14 don't have that.

15 But I don't think there's -- I would
16 have heard if there was a lot of volatility,
17 and I don't believe there has been.

18 ASSEMBLYMAN OAKS: Okay. And then I
19 know we had talked some about youth
20 employment too, job rates for
21 16-to-18-year-olds, or people with jobs or --

22 COMMISSIONER REARDON: Unemployment
23 rates.

24 ASSEMBLYMAN OAKS: -- unemployment

1 rate. And I know there's two things, people
2 working or not. Any change have we seen in
3 that area since the increase?

4 COMMISSIONER REARDON: So the figures
5 that I have across the state -- so across the
6 state, unemployment has fallen in every
7 region. And I'm very happy to say that youth
8 unemployment has fallen in every region. It
9 is still high. Let me point out, it is
10 higher than we want it to be, but it is
11 definitely lower than it was five years ago,
12 four years ago. So it is incrementally
13 coming down.

14 So all the programs that we're using
15 are effective. Youth unemployment is a
16 difficult problem not just in New York State,
17 it is difficult across the country. And
18 there are a variety of reasons for that.
19 Some of it definitely is disadvantaged
20 youth, but it goes beyond that.

21 But I'm happy to say the unemployment
22 rate is coming down. The Strikeforce that we
23 have in the Bronx and Brooklyn and Western
24 New York, in various parts of the state, that

1 has helped. The Strikeforce is for youth as
2 well as adults.

3 So we have a variety of programs to
4 work with young people, and we are assiduous
5 in applying those programs. And they are
6 working. But I am not claiming success. You
7 know, we have a lot more to do, no question
8 about it.

9 ASSEMBLYMAN OAKS: Thank you.

10 SENATOR KRUEGER: We've been joined by
11 Senator James Sanders.

12 And Senator Diane Savino is the next
13 questioner.

14 SENATOR SAVINO: Thank you, Senator
15 Krueger.

16 Good afternoon, Commissioner. Always
17 happy to see you.

18 I just want to focus on a couple of
19 things. I know you already answered the
20 question about the new \$175 million workforce
21 investment; so that's existing money that's
22 now being pulled together and it's going to
23 be administered through the REDCs, is that
24 correct?

1 COMMISSIONER REARDON: Mm, no. Well,
2 it's a CFA program, so it funds an expanded
3 CFA program. And it's administered the way
4 the CFA programs are right now.

5 So one of the things with the REDCs,
6 we want to make sure that the priorities from
7 the REDCs are identified appropriately, the
8 skill sets that are needed for those priority
9 industries are identified as pipelines that
10 are needing to be filled, and then we want to
11 align all of the various workforce
12 development programs that we have to make
13 sure that we're doing this adequately. And a
14 lot of that is middle-skills jobs.

15 SENATOR SAVINO: Right. And, you
16 know, we've done a lot of work together over
17 the years. As you know, I think 2010,
18 Assemblymember Heastie -- who was then the
19 chair of the Labor Committee in the
20 Assembly -- and myself, we passed the Wage
21 Theft Prevention Act. I know we saddled your
22 agency with an awful lot of work as a result
23 of that.

24 But one of the things that happens,

1 even when you do manage to crack down on a
2 bad employer and you get a judgement against
3 them, they don't have any money. Or they've
4 reorganized their corporation into another
5 entity to get out from underneath paying.

6 So last year, as part of the budget
7 discussions -- and it fell off at the last
8 minute -- was being able to move the SWEAT
9 bill, which is the -- I love these acronyms.
10 But it stands for Securing Wages Earned
11 Against Theft. And it would allow the
12 imposition of a mechanic's lien so that all
13 workers would have the right to put a
14 temporary lien on an employer's property when
15 they haven't been paid for their work after
16 there's been a finding and in fact they were
17 the victim.

18 But there was some concern on the part
19 of I guess the administration that the
20 language in the bill was inconsistent with
21 the prior underlying mechanic's lien.

22 So do you have any idea whether or not
23 we've able to address that underlying
24 concern? If you don't know today, that's

1 fine, but if you could get that to me.

2 COMMISSIONER REARDON: Yeah, I don't
3 know. That's a good question, and we can
4 find out. I don't know what conversations
5 have been had.

6 SENATOR SAVINO: Because again, you
7 know, the Wage Theft Prevention Act is
8 probably one of the most effective bills
9 that's been passed in this state and across
10 the country. But if an employer can easily
11 get out from underneath making good on the
12 wages because they're just reorganizing
13 themselves or they're going out of business,
14 which happens fairly regularly, you know, it
15 doesn't really help.

16 With the two minutes I have left, I
17 want to talk about a program -- and I'm not
18 really sure where it falls under. It's
19 called YouthBuild. So I know in the state
20 budget there's a commitment for \$300,000 for
21 YouthBuild, but it's in -- it's probably one
22 of the most effective evidence-based programs
23 that I've seen on the ground. I can hear
24 Senator Montgomery agreeing with me behind

1 us.

2 COMMISSIONER REARDON: We had a
3 conversation last year about it.

4 SENATOR SAVINO: Because it's not a
5 diversion program and it's not a requirement
6 on young people. These are young people who
7 have finally accepted the fact that they're
8 responsible for their own life. They may
9 have not achieved everything they were
10 supposed to in their primary and secondary
11 education, but it's like they realize, "I'm
12 21, and there's nobody going to hold my hand
13 anymore." So there's a real commitment on
14 the part of these young people.

15 And if you haven't visited a
16 YouthBuild, you really should. You know,
17 they're training them not just for jobs in
18 the building trades, which is important, but
19 kind of training them to understand that, you
20 know, you're an adult now and there's a
21 responsibility to plan for your own future,
22 that the world isn't going to hold your hand.

23 But what I would like to see is some
24 of these \$175 million, if some of it could be

1 directed towards the YouthBuild programs.
2 They are, again, evidence-based, they are
3 very successful. And I think that we're
4 missing an opportunity. Most of the money
5 comes from the feds.

6 COMMISSIONER REARDON: It's USDOL
7 money. We don't have it, yeah.

8 SENATOR SAVINO: Right. And with the
9 concerns about the way things are going in
10 Washington, we're all worried that that money
11 is going to disappear. Local governments
12 sometimes fill the gap. You know, the City
13 of New York does a commitment to some of the
14 YouthBuild programs. But it would be helpful
15 if the state recognized that this is a
16 program that works and that we should be
17 investing in it directly through the budget.

18 So if you could take a look at that, I
19 would really appreciate it.

20 COMMISSIONER REARDON: Thank you.

21 SENATOR SAVINO: Thank you.

22 COMMISSIONER REARDON: We had that
23 conversation last year.

24 SENATOR SAVINO: Oh, one other thing.

1 And you may not be prepared to answer it yet.

2 I know the Governor has proposed the
3 idea of eliminating the tip credit -- or the
4 tipped wages across different sectors that
5 are covered. I understand the car wash
6 issue; I don't quite understand the
7 restaurant issue.

8 There seems to be this impression that
9 people who work as waiters and waitresses and
10 bartenders and banquet don't make any money.
11 I think you and I have had this conversation.
12 My first job was a waitress when I was 15, I
13 made \$40 the first day in tips, that was the
14 job for me.

15 So I just think we should be careful
16 about how we apply this issue to the
17 restaurant industry.

18 COMMISSIONER REARDON: So let me say a
19 little bit about the subminimum wage
20 hearings. The Governor has directed us to
21 hold hearings across the state. We will
22 holding them in six localities with seven
23 hearings; I think we're going to do two in
24 New York City.

1 And as you said, this is a great swath
2 of tipped workers, not strictly hospitality.
3 So I always -- everybody -- I'm sure many
4 people here stay in a hotel because you don't
5 live in Albany. When you stay in the hotel,
6 do you tip the room attendant when you leave?
7 Because they are considered tipped workers.
8 And many people don't, or they leave a dollar
9 on the dresser.

10 Same thing with dog walkers. I found
11 out that tow-truck operators get tipped. Who
12 knew? Car washers, obviously. There's a lot
13 of them.

14 So we are going to hold these
15 hearings. We want to hear from all of the
16 industries. We want to hear from all of the
17 regions. And we want to hear from the
18 workers and their advocates. There are
19 concerns. We have heard these concerns
20 often.

21 One thing I want to make
22 crystal-clear, because there is confusion
23 about this. This is not about eliminating
24 tips. This is about the subminimum wage that

1 is allowed to be paid to tipped workers.
2 Subminimum wage is your salary from your
3 employer. Tips are given to you by the
4 person that you serve, and it is a gratuity.
5 And they are very different. It gets mixed
6 up. We are not talking about tips. I worked
7 for tips; I remember that.

8 But it is a convoluted practice. It
9 requires a tremendous amount of bookkeeping,
10 actually, from the company.

11 SENATOR SAVINO: Right. And as you
12 know, in the restaurant industry if you --
13 you get paid the subminimum, but if you don't
14 make the difference in tips, the employer is
15 responsible for making up the difference. So
16 you're always guaranteed that you will be
17 paid, compensated at least the minimum wage,
18 and then of course most people make far
19 beyond that. Let's not talk about who claims
20 it and who doesn't. But that's beside the
21 point.

22 COMMISSIONER REARDON: Yeah. It's
23 mostly charged now, so they --

24 SENATOR SAVINO: It is different,

1 though, than the tip credit.

2 COMMISSIONER REARDON: Yes.

3 SENATOR SAVINO: Which allows
4 employers to keep money. That's a different
5 -- that's more in some of the industrial work
6 like car washes. The car wash industry is
7 allowed to claim the tip credit for their
8 employees. Restaurants don't. So you're
9 right, it's a very convoluted issue.

10 COMMISSIONER REARDON: No, actually
11 they're the same. I mean, the subminimum
12 wage is applied the same. It's a different
13 number because of the different wage scale.
14 But it's the same theory. And that's one of
15 the reasons we want to look into it, because
16 we've actually had a fair amount of cases of
17 wage theft, some of it on purpose, some of it
18 inadvertent because of the having to make
19 sure that you're made whole at the end of the
20 week or whatever the period is.

21 So it is a complicated area and we
22 really want to understand it all the way
23 around the board. But again, we are not --
24 the USDOL rule about tip pooling --

1 SENATOR SAVINO: Different issue.

2 COMMISSIONER REARDON: That is not
3 allowed in New York State. We have laws that
4 prevent that. And we are not talking about
5 that. We are simply looking at the
6 subminimum wage.

7 SENATOR SAVINO: Thank you.

8 CHAIRWOMAN WEINSTEIN: Thank you.

9 Assemblyman DenDekker.

10 ASSEMBLYMAN DENDEKKER: Yes, hi.
11 Thank you very much, Commissioner, for being
12 here.

13 COMMISSIONER REARDON: Hi. Good to
14 see you.

15 ASSEMBLYMAN DENDEKKER: Nice to see
16 you again.

17 I just basically want to make one
18 quick comment about the Vital Brooklyn
19 program. It sounds great that the Governor
20 set a goal of 7,500 hires and got 300 percent
21 back on his original ask. I would ask that
22 you please consider a Vital Queens. If it
23 worked so well there, I'd like it in Queens,
24 specifically my area of Queens, but I'm sure

1 the chair of Labor, who represents South
2 Queens, would also like to get another 20,000
3 jobs in her area. So we would ask that you'd
4 please bring that back to the Governor that
5 we are asking that you bring Vital Queens and
6 make it a priority.

7 COMMISSIONER REARDON: I will
8 definitely bring that message back.

9 ASSEMBLYMAN DENDEKKER: Thank you.

10 CHAIRWOMAN YOUNG: Thank you.

11 Hi, Commissioner.

12 COMMISSIONER REARDON: Hi. How are
13 you?

14 CHAIRWOMAN YOUNG: I'm well, how are
15 you?

16 COMMISSIONER REARDON: I'm well, thank
17 you.

18 CHAIRWOMAN YOUNG: It's always
19 wonderful to see you.

20 And I did have a few questions,
21 though.

22 So in last year's enacted budget we
23 authorized you, as Commissioner of Labor, to
24 smooth wages for fast-food workers going

1 forward to keep all workers on the same
2 minimum wage schedule. Hasn't happened yet.
3 So is that promise going to be kept?

4 COMMISSIONER REARDON: We are studying
5 it. You know, it's preliminary. We don't
6 have any conclusions that would move us to do
7 it now, but we are definitely keeping an eye
8 on it and we will address it should that
9 become necessary.

10 CHAIRWOMAN YOUNG: Well, that was an
11 agreement that we had, though. So I do
12 believe it's necessary.

13 But you said you're studying it. Has
14 there been any analysis, like formal analysis
15 conducted on the impact of having separate
16 minimum wages for employees doing
17 substantially similar jobs?

18 COMMISSIONER REARDON: We are watching
19 the industries that are impacted and, you
20 know, tracking them to make sure that there
21 aren't huge disparities.

22 I do know there was a report
23 recently -- it was New York City only, it
24 wasn't the rest of the state -- that in fact

1 in fast food where that increase happened,
2 and it happened highest, I believe, in
3 New York City, they have actually expanded
4 and there are 23 percent more fast-food
5 workers in New York City now than there were
6 before the increase.

7 So that seems to indicate that they're
8 doing well. But that again is just New York
9 City.

10 CHAIRWOMAN YOUNG: You know, I would
11 love to see that, because there's also a lot
12 of information out there about accelerated
13 technology, automated technology in fast-food
14 establishments where many of them are
15 replacing workers with technology.

16 And I've spoken to several businesses,
17 and they have said that millennials
18 especially want to wait on themselves. So we
19 see this in supermarkets, we see it in
20 fast-food places. So has there been any
21 study conducted on the correlation between
22 automated technology and fast-food workers on
23 the minimum wage?

24 COMMISSIONER REARDON: I'll have to

1 look into it. That's a great question. you
2 know, we are very aware of the impact of
3 automation in general on employment. I know
4 in the dairy industry a lot of farmers are
5 now using robotic milkers for a variety of
6 reasons. It's, you know, sometimes easier on
7 the herd, it's sometimes easier on the
8 workers, and it just makes sense.

9 I would -- you know, these things
10 changed everything. And automation is here
11 to stay. So we are trying to stay ahead of
12 it and see, particularly on the training
13 side, making sure that when we work with
14 young people that we can help them find a
15 path that is going to be productive for them
16 for the long term and not the short term.
17 But that's part of it.

18 But I will look into it, because it's
19 a -- actually, it's an area that actually
20 fascinates me, so -- geek.

21 CHAIRWOMAN YOUNG: Thank you. I look
22 forward to that.

23 So how are you helping retailers in
24 convenience stores who have fast-food

1 businesses within -- and there are many, when
2 you think about it -- but within their
3 businesses? So for example, a Subway in a
4 gas station, a Starbucks in a Target store
5 and so on. Most all employees of that Target
6 store, for example -- you know, the question
7 is, I guess, must all the employees in the
8 Target store be paid the fast-food minimum
9 wage? That's question one, because they're
10 all collocated. And does the Starbucks have
11 to have its own security and cleaning staff
12 because they must make a different wage?

13 COMMISSIONER REARDON: I know that
14 we've had conversations. I don't have the
15 information right here in front of me, but I
16 can get back to you on that. Some -- it
17 depends on the business model. Some
18 businesses, the fast food is a separate
19 entity so they are treated as a separate
20 entity. If it's integrated into the store,
21 it depends on the franchise agreement, I
22 think. So it's not really straightforward
23 and it's not one-size-fits-all.

24 But I'd be very happy to have that

1 conversation. Let me get some more
2 information on it.

3 CHAIRWOMAN YOUNG: That would be very
4 helpful.

5 So I know Senator Tedisco asked a
6 little bit about call-in pay requirements
7 that are being proposed. So in November, as
8 you know, the department proposed new
9 rule-making regarding employee scheduling
10 that would require employers to provide four
11 hours of call-in pay to any employee whose
12 shift is canceled less than 72 hours before
13 its start, when the employee is required to
14 contact the employer less than 72 hours
15 before the start of a shift to determine
16 whether they must report to work, or when an
17 employee is required to be ready to report
18 for work for an on-call shift.

19 So these new rules would require that
20 employers provide two hours of call-in pay
21 for any shift that is scheduled less than
22 14 days in advance. And these would be the
23 most restrictive rules in the entire country.

24 And in January, in early January I

1 took part in a Senate public hearing on these
2 proposed regulations, and there's a lot of
3 concern in the community. And I have
4 received a lot of information from employers
5 in my district and actually from across the
6 state that this would be devastating to their
7 businesses.

8 So for example, we heard from car
9 washes, and it really does not work for them.
10 Or, you know, oftentimes at nursing homes
11 people call off a shift and they have to fill
12 it. And that's health and safety at risk if
13 you don't have someone on that shift.

14 So in your regulatory filing in the
15 State Register you state that the department
16 does not anticipate that this regulation will
17 have an adverse economic impact upon small
18 businesses. Can you please describe in
19 detail the analysis that the department
20 conducted in order to reach this conclusion.

21 COMMISSIONER REARDON: So we are right
22 now in the middle of going through the
23 comments, the over 800 comments that we got
24 to the regulations. And I'm going to be

1 sitting down with my staff and digging
2 through all of it, because it's a very robust
3 comment period, needless to say. And I hope
4 that the people that talked to you wrote to
5 us, because that's what we need to hear.
6 Those are the people we need to hear from.

7 And we will be issuing regulations
8 that we hope will be fair and balanced for
9 everyone when we finish this process, but we
10 are not through it yet, digging.

11 CHAIRWOMAN YOUNG: Thank you,
12 Commissioner, for that answer. But I would
13 point out that you came to that determination
14 in advance, before it was filed.

15 So I guess the question is -- and I'm
16 glad that you're looking at people's comments
17 now, but you came to that conclusion before
18 you got people's comments. So I would
19 strongly urge you to make sure that
20 everyone's concerns are heard, because I
21 believe that this could be a very, very
22 detrimental mandate not only on small
23 businesses but on, you know, nonprofits,
24 other health providers that have to deal with

1 people calling in sick all the time or taking
2 time off unexpectedly, and there's only so
3 much money to go around.

4 So the extended public comment closed
5 on January 22nd. When do you anticipate --
6 you said you're going through it right now
7 and it's very robust, because I believe
8 there's a lot of concern out there. But when
9 do you anticipate releasing a summarization
10 of the comments that were received?

11 COMMISSIONER REARDON: I don't have a
12 date right now. But obviously as soon as we
13 can get through all of the comments and
14 finalize the regulations, we'll do it.

15 CHAIRWOMAN YOUNG: Okay. Thank you.
16 So again, then, that means the proposed regs,
17 we don't have a timeline on when those will
18 be issued.

19 COMMISSIONER REARDON: Not yet.

20 CHAIRWOMAN YOUNG: Thank you for that.

21 Just to follow up on Senator Savino,
22 she asked about the elimination of wage tip
23 credits. And I had some questions. So
24 you're not talking about getting rid of tips

1 altogether and just increasing people's
2 salaries.

3 COMMISSIONER REARDON: No.

4 CHAIRWOMAN YOUNG: But as you know, in
5 December of 2015 the Hospitality Industry
6 Wage order increased the cash wage by 50
7 percent. And since that time there have been
8 many restaurants across the state that have
9 shut their doors and job growth in the
10 full-service restaurant sector has slowed to
11 the lowest levels since the Great Recession.

12 Given these effects and the vital
13 importance of the sector in providing jobs in
14 the state, have you given some thought to the
15 impact that this will have on already
16 struggling businesses? Because it sounds to
17 me, if you're not eliminating tips but you're
18 looking at this, that you're looking to
19 impose another mandatory wage increase.

20 COMMISSIONER REARDON: That's why
21 we're doing the hearings, because we want to
22 hear from all of the affected workers and the
23 businesses. And in fact in New York City,
24 where there are enormous numbers of

1 hospitality industries, we're going to have a
2 hospitality-only hearing for one day and then
3 all the other tipped workers' industries on
4 another day, just to make sure we have enough
5 time.

6 But we understand that this is a
7 matter of great concern. And I'm actually
8 very curious to hear the testimony, because
9 it is -- we've gotten a lot of input from
10 various areas, but I would really -- I really
11 am looking forward to hearing from the
12 industries and hearing what they have to say.
13 It is -- as you say, it's an important area
14 of employment and we want to hear their
15 concerns from the workers as well as from the
16 businesses.

17 CHAIRWOMAN YOUNG: But I do think,
18 though -- you know, and especially as you
19 look at areas around the state, they have
20 different economic thresholds where they can
21 actually stand an increase in the cost of a
22 meal. And in rural areas, for example, we
23 need to have restaurants available, but at
24 the same time, if they price themselves out

1 of the market, it's a real concern. And
2 obviously we have a lot of job loss that
3 would be centered around that also.

4 The 2017 enacted budget established
5 the cash wage at the greater of \$7.50 per
6 hour or two-thirds of the established minimum
7 wage. So the question is -- that was
8 included in the budget that was passed by the
9 Legislature, signed by the Governor. So what
10 authority, if any, does DOL have to
11 administratively alter or eliminate the tip
12 credit? I'm curious to hear your answer on
13 that.

14 COMMISSIONER REARDON: It is in the
15 regulations. We've been tasked with
16 overseeing this. And it was given to us by
17 the Legislature because it's in the
18 regulations.

19 CHAIRWOMAN YOUNG: Well, these cash
20 wage figures were actually passed in the
21 enacted budget. So I'd have to take a look
22 at that, but I don't -- I believe that these
23 are issues that should be passed in law and
24 not just done by regulation.

1 But I appreciate your answers.

2 CHAIRWOMAN WEINSTEIN: Assemblywoman
3 Jaffee.

4 ASSEMBLYWOMAN JAFFEE: Thank you,
5 Commissioner.

6 I wanted to just mention the
7 legislation regarding the tipped workers is
8 my legislation as well as Senator Andrea
9 Stewart-Cousins'. We've carried it for a
10 little while. And having a discussion about
11 that is very important.

12 Unfortunately, the other aspect of the
13 tipped workers -- and then I'll move on -- is
14 that too many of the women are being sexually
15 assaulted and abused under circumstances that
16 makes them very vulnerable. So I'm sure that
17 you hear the stories.

18 COMMISSIONER REARDON: I am very aware
19 of it.

20 ASSEMBLYWOMAN JAFFEE: I wanted to
21 mention -- to go back to the Career Centers.
22 And thank you for focusing on the gender pay
23 gap. And that's also a study I think is very
24 important for us to have a sense of. But

1 within the context of the Career Centers, is
2 there also discussion and ongoing movement to
3 assure that the women who go through those
4 Career Centers are given opportunities and
5 really encouraged to reach out and engage in
6 a variety of careers, rather than just going
7 to secretarial -- not that it's bad, but I
8 did legislation a number of years ago when we
9 found out that in many of the unemployment
10 sites people would go to, the women were
11 given just a few jobs that might be
12 available -- secretarial jobs, that kind of
13 job, whereas the men were put in front of a
14 computer with a wide range of opportunities.
15 And the law that we passed, with my
16 legislation, requires that women be given all
17 the opportunities that are available and let
18 them make the determination of what their
19 skills are.

20 But as we move forward too, we need to
21 assure that all our youth, young women and
22 men, are given training and opportunities to
23 be able to move forward in jobs that they may
24 find very inspiring and because of the

1 capability, that was never even suggested
2 that was possible. And you and I both know
3 what that world was, and hopefully we can
4 begin those challenges certainly with the
5 minimum-wage issues. But also with the
6 reality of providing opportunities to explore
7 the possibilities of a wide range of jobs.

8 So I was just wondering if that was
9 also something that was being encouraged and
10 focused on in the Career Centers, as well as
11 in the labor opportunities that are provided.

12 COMMISSIONER REARDON: So now you're
13 singing my song. I thank you for that.

14 ASSEMBLYWOMAN JAFFEE: We have a duet,
15 yes.

16 COMMISSIONER REARDON: Yes. As a
17 woman -- I grew up in a family of six, and I
18 was the only girl. So I learned very early
19 about those differences. And I have resisted
20 them all my life.

21 We make an effort, a very special
22 effort at all of our Career Centers to treat
23 each customer who comes in individually and
24 make sure that they know the panoply of

1 opportunities that are available, not
2 determined by your gender.

3 When we release our gender pay gap
4 study, part of the conversation in that study
5 is how do you expose young girls and women to
6 different opportunities, to nontraditional
7 employment opportunities?

8 I often tell young women -- when I
9 speak to groups, I say, you know, "Watch what
10 the boys are doing. That's where the money
11 is. Go do that job."

12 It's important. And it's important
13 that you encourage girls to think that way.
14 It's important that you encourage them to not
15 have barriers, intellectual barriers about
16 what they can do. But we do that with all of
17 our customers. And we understand how
18 important it is to open those doors of
19 opportunity for everyone who comes in a
20 Career Center.

21 Working with girls and young women is
22 especially close to my heart, and we take it
23 very seriously. I have a niece who's
24 graduating from the University of Rochester

1 this year, and she's a STEM kid. She has a
2 fabulous future in front of her because she
3 wasn't afraid to go into science and
4 technology and math. And that was a very
5 thoughtful endeavor on the part of her
6 parents, frankly.

7 So we take it very seriously -- I take
8 it very seriously. And the days of handing
9 the woman the secretarial pad, gone.

10 ASSEMBLYWOMAN JAFFEE: I remember when
11 I was in junior high school, way back in
12 Brooklyn, we were put into either economic
13 development or industrial arts. I didn't
14 want economic development, but they wouldn't
15 let me go into industrial arts. And my
16 father came up to fight for me, but it didn't
17 work out anyway. But my husband, when we got
18 married, bought me a toolkit, so at least
19 he --

20 (Laughter.)

21 COMMISSIONER REARDON: I'm the one
22 with the toolkit in our family, so just say
23 it.

24 ASSEMBLYWOMAN JAFFEE: But the

1 unemployment -- last question. The
2 Unemployment Strikeforce site, where do you
3 have that opportunity that you provide?

4 COMMISSIONER REARDON: The
5 Strikeforce?

6 ASSEMBLYWOMAN JAFFEE: Yes.

7 COMMISSIONER REARDON: So it
8 originated in the Bronx. Then we spread it
9 out in the 10 counties with the highest
10 unemployment. I have a list I can get for
11 you. It's in Brooklyn.

12 And in Western New York, we tweaked it
13 because in Western New York -- in Western
14 New York in general, employment was going up
15 but there were zip codes where they had very
16 high rates of unemployment. In fact, it
17 wasn't even the unemployment numbers, they
18 had people who simply didn't work.

19 So we tweaked the Strikeforce in
20 Western New York. We out-stationed our
21 Career Center counselors in the community,
22 because we understand that for many people
23 who have not worked, they feel left out,
24 they're afraid to go -- sometimes afraid to

1 go into a government office. They don't feel
2 included. So we wanted to have our career
3 counselors in their communities. They work
4 very much with the ministers of faith out
5 there. They were wonderful -- they gave us
6 churches, they gave us access to their
7 communities, and we made sure that we were in
8 the communities where they needed the help
9 most. And that has been very, very
10 effective.

11 ASSEMBLYWOMAN JAFFEE: How can we
12 access that --

13 CHAIRWOMAN WEINSTEIN: Thank you.
14 We're going to move on.

15 ASSEMBLYWOMAN JAFFEE: I'll follow up
16 with you.

17 COMMISSIONER REARDON: To be
18 continued.

19 ASSEMBLYWOMAN JAFFEE: Thank you.

20 CHAIRWOMAN YOUNG: Senator Montgomery.

21 SENATOR MONTGOMERY: Hi. How are
22 you?

23 COMMISSIONER REARDON: It's good to
24 see you.

1 SENATOR MONTGOMERY: Thank you. And
2 same to you.

3 This is a continuation of Senator
4 Savino's questioning. You know, there's like
5 a group of young -- young people are very
6 interesting and they are sometimes very
7 difficult to figure out. So that having been
8 said, there's a group of youngsters who are
9 supposedly -- I don't like the term, but it's
10 used, I've heard it used -- disconnected
11 youth. I think they are probably the same as
12 in your statement. They are the at-risk
13 youth. I consider them probably the same.

14 And whatever group that there is,
15 they're groups that are more likely to be
16 suspended. And they're also probably the
17 Raise the Age. So we're talking really the
18 same children.

19 So -- and when I look at some of the
20 areas that you've talked about that are
21 really I think just very -- it means that you
22 are focused on the right things. For
23 instance, the Career Centers. I like that
24 very much. The Youth Jobs Program, I don't

1 want to talk about that right now except that
2 I wish that we could take -- if we could put
3 \$40 million into that, if we could take
4 \$10 million of that to do something for an
5 organization like YouthBuild, the YouthBuilds
6 around the state, the Attain Labs.

7 The YouthBuild program, I know
8 Brooklyn is sort of -- they're partnered with
9 an Attain Lab. So that the state -- you're
10 able to do something -- we're able to do
11 something where two agencies come together to
12 strengthen the program that they offer.

13 So then I guess what I want to say to
14 reinforce what Senator Savino said, I would
15 hope that we could figure out how do we build
16 an infrastructure -- and I use that because I
17 don't know how else to say it -- in our state
18 that supports young people. And when we're
19 talking about Raise the Age, we're talking
20 about young people who really are basically
21 working age or just preworking age. So all
22 of those things that we do to create a
23 workforce that is going to be able to carry
24 our state in the future, into next

1 generations, in all of the areas that we
2 would like them to be able to do.

3 If we can invest in that and think
4 about it not as a program but as a policy
5 that our state supports them -- and you
6 figure it out, because they can't. They
7 really are not inclined to go look for your
8 programs. But if they end up and somehow, by
9 word of mouth or however they get to
10 YouthBuild, I've heard them in other
11 programs -- where if something works, they
12 send out their own message, their own word.
13 They have their own process.

14 So we need to be able to, when they
15 appear, wherever they appear, we need to be
16 prepared to do a comprehensive support system
17 for them so they don't fall through the
18 cracks.

19 So that's all I want to say. I really
20 appreciate the fact that you even remembered
21 that I mentioned it. And just know that in
22 any way, I think, that we can be supportive
23 of your efforts to beef it up, that I
24 appreciate it.

1 COMMISSIONER REARDON: Thank you very
2 much.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 We've been joined, actually quite a
5 while ago -- I missed him -- by Assemblyman
6 Bill Colton.

7 And for a second time, Mr. Bronson.

8 CHAIRWOMAN YOUNG: We've also been
9 joined by Senator Marisol Alcantara.

10 CHAIRWOMAN WEINSTEIN: And
11 Assemblywoman Pat Fahy has been here for some
12 time.

13 ASSEMBLYMAN BRONSON: Commissioner,
14 I'm back.

15 COMMISSIONER REARDON: Hello.

16 ASSEMBLYMAN BRONSON: I was going to
17 ask a series of questions regarding the new
18 proposed Office of Workforce Development,
19 simply because it was talked about at the
20 State of the State, but there's nothing in
21 the budget on how we're going to fund it, how
22 we're going to staff it, what agency it's
23 going to be in, and things of that nature.

24 You earlier indicated that the plans

1 are under construction. So I'm not going to
2 ask questions because we've got to get to
3 some other areas. But I would make, if I
4 may, some suggestions of things to think
5 about, and that is what will be the level of
6 control that this director and this new
7 office will have over existing funding,
8 workforce development funding? And the
9 overall workforce development agenda, if you
10 will, or our approach and our strategy.

11 And then the other thing is I'm a
12 little concerned -- you did indicate that,
13 you know, we're acknowledging and wanting to
14 upskill potential employees, that we're going
15 to also recognize or acknowledge the REDC
16 priorities. I'm a little concerned about
17 this office being under the auspices of REDC.
18 It's not an agency, statutorily it's not an
19 agency. It gets funded.

20 But the other problem is there are
21 many, many employers and businesses that are
22 left out of REDC, just because of the
23 limitations of the parameters. And our
24 workforce development programs are much

1 broader. So I just want you to be cognizant
2 of that.

3 On another issue that is not in the
4 budget but was mentioned at the State of the
5 State, and that is an online one-stop shop to
6 help workers and businesses navigate the
7 workforce development programs.

8 How is that different than the bill
9 that the Governor has signed and we're going
10 to do a chapter amendment through the
11 negotiations that we just had in connection
12 with the catalog, online cataloging of all
13 the workforce development programs? Do you
14 know?

15 COMMISSIONER REARDON: That is a good
16 question. And I've actually thought about
17 that myself. And I think that it probably
18 will combine them, because the catalog is
19 what's available. So it gives you an idea
20 across the state where the various training
21 programs are, what they are, all of that
22 information.

23 The one-stop could also talk about how
24 you access them, what kind of perhaps

1 education level -- it may add to the catalog.
2 It's -- so if you have a catalog that has all
3 the information, perhaps the one-stop is how
4 to read the catalog and how to apply it.

5 ASSEMBLYMAN BRONSON: Good. I like
6 that response, and I would encourage you to
7 go in that direction.

8 The other aspect of this is how will
9 that program interplay or work with the
10 current one-stop programs that are housed
11 throughout the state?

12 COMMISSIONER REARDON: So our Career
13 Centers are called one-stops. And, you know,
14 it's -- the portal itself, as I understand it
15 now -- and it could change, because it's
16 under construction. But as I understand it,
17 the portal is online, I think. So it would
18 be additional to the Career Centers. The
19 Career Centers -- it wouldn't replace the
20 Career Centers by any stretch of the
21 imagination, but it's additive. And it may
22 be a portal that says first step, go to your
23 Career Center and talk to this counselor
24 about this program. It wouldn't be one or

1 the other, it would be additional.

2 ASSEMBLYMAN BRONSON: Okay. Good.

3 And my last line of questioning also
4 relates to a policy statement made in the
5 State of the State but no budget
6 corresponding language or funding. And it
7 also relates to a bill that you and I have
8 discussed in the past that would authorize
9 the Department of Labor to subcontract out to
10 higher education institutions to expand on
11 and develop a data analysis, in connection
12 with labor and wage data, to determine what
13 are our future workforce needs going to be.

14 So the Governor is now saying he's
15 going to develop this. He implies it's going
16 to be similar to the Monroe Community
17 College's approach that they're doing, which
18 is an excellent approach, right. So my
19 question for you is if you can expand a
20 little bit about the strategy of developing
21 this analysis. Which by the way, really sent
22 us back to 2013 when the Legislature
23 authorized the sharing of information between
24 various agencies.

1 So my concern is this, or my question
2 is this, to see if the strategy comes into
3 play here. So we're going to analyze wage
4 and labor data. I'm hoping that we have
5 input from industries in some way so that we
6 know what it is. I'm hoping that that
7 strategy, that approach has some kind of a
8 regional dimension to it. And that we really
9 look to the experts to analyze this, with the
10 overall objective that it's demand driven.

11 By demand driven, oftentimes I hear,
12 in workforce development, that's
13 employer-needs-demand driven. It can't just
14 be that. It also needs to be
15 potential-employee-demand driven.

16 So if you could just expand on the
17 strategy a little bit.

18 COMMISSIONER REARDON: The last point
19 is really excellent. Because part of what
20 happens sometimes in discussions of workforce
21 development and regional economic development
22 is we forget we're going to develop all of
23 these systems to train people and analyze and
24 do all of that -- there's still a pipeline

1 issue. If we build it, they will come.

2 Well, maybe not.

3 So we need to think about -- and this
4 is not so much -- this is probably more an
5 education issue, because they're in school.
6 It goes back to Assemblymember Jaffee's
7 question about how do we incentivize women to
8 do things other than the traditional jobs.
9 We need to think about reaching into the
10 school systems and having those conversations
11 with young people early, and I mean early,
12 about what work is, what career is, what
13 skill sets are. And how do we incentivize
14 them -- you know, in your region you may need
15 a particular kind of welder. Not a sexy
16 career choice. But if you can talk to young
17 people and have them experience what that is,
18 it may light a fire for people who will have
19 -- it's a wonderful career, and women are
20 actually better welders than men in many
21 circumstances because their hands are
22 smaller. Side note.

23 But, you know, it -- so there's a way
24 to build that pipeline appropriately. So you

1 are absolutely correct. It's not just
2 building the training programs and talking to
3 the industries. How do you get young people
4 interested in doing the work? And that is a
5 critical part of it. That's where we're
6 going to have to work with SED and CUNY and
7 SUNY, to make sure that we're all having this
8 conversation.

9 That's the great thing about the
10 Office of Workforce Development: They're
11 part of that. So again, you know, we have
12 agency-by-agency program, we have
13 education-by-education program. Let's have
14 that bigger conversation so we can do it
15 holistically instead of piecemeal.

16 ASSEMBLYMAN BRONSON: Thank you,
17 Commissioner.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 CHAIRWOMAN YOUNG: I think we're all
20 set. So great to see you. Thank you.

21 COMMISSIONER REARDON: Great to see
22 you. Thank you very much.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 Now we'll move on to our fourth

1 witness for today, Greg Olson, the acting
2 director of the New York State Office for the
3 Aging.

4 CHAIRWOMAN YOUNG: Welcome.

5 ACTING DIRECTOR OLSEN: Thank you.
6 Are you ready for me?

7 CHAIRWOMAN YOUNG: Almost. But I do
8 want to make an announcement.

9 And if you're watching and you're
10 participating in the hearing tomorrow, we are
11 actually postponing it because of the
12 inclement weather. So it will be rescheduled
13 for Tuesday, February 27th. And tomorrow's
14 hearing is the hearing on environmental
15 conservation, agriculture and parks.

16 But we will -- I do -- so
17 Assemblywoman Weinstein is reminding me,
18 however, the Taxes hearing on Thursday is
19 still a go. Thank you.

20 CHAIRWOMAN WEINSTEIN: Greg.

21 ACTING DIRECTOR OLSEN: Ready? Great,
22 thank you.

23 And good afternoon, Chairpersons Young
24 and Weinstein, Chairperson Lupardo and all

1 the distinguished members of the Senate and
2 Assembly committees. My name is Greg Olsen.
3 I'm the acting director of the New York State
4 Office for the Aging. And I'm always honored
5 to be here to testify on the portions of
6 Governor Cuomo's budget that affects older
7 New Yorkers.

8 As you know, NYSOFA provides
9 leadership and direction to an integrated,
10 coordinated network of 59 county-based Area
11 Agencies on Aging, and almost 1,200 public
12 and private organizations that serve to help
13 empower older adults and their families.
14 Governor Cuomo's priority to strengthen
15 service delivery, increase efficiencies, and
16 improve outcomes has created strong working
17 partnerships between our office and many of
18 our sister agencies, including Veterans
19 Affairs, the Health Department, and Office of
20 Victim Services.

21 Despite a multi-billion-dollar state
22 deficit and increased uncertainty at the
23 federal level, Governor Cuomo's commitment to
24 the state's older population is unwavering.

1 The 2019 Executive Budget maintains NYSOFA's
2 previous funding levels while including a
3 host of new initiatives that address primary
4 areas of concern for older New Yorkers and
5 their families.

6 Governor Cuomo's Executive Budget
7 helps older adults and their families by:

8 Launching a long-term care planning
9 council to understand the projected and
10 desired needs of older adults in New York.
11 This council will analyze, evaluate, and
12 identify the existing service gaps in
13 New York's long-term care system and
14 determine the most cost-effective,
15 evidence-based interventions and create a
16 10-year strategic plan;

17 Issuing an age-friendly executive
18 order that directs agencies to consider the
19 impact of their policies and procurements on
20 health and healthy aging, aligned with the
21 eight domains of age-friendly communities;

22 Protecting older and disabled veterans
23 from deceitful business targeting practices
24 and scams related to applying for federal

1 benefits;

2 Helping better understand, market and
3 apply for the paid family leave benefits
4 which will support the role of informal
5 caregivers; and

6 Strengthening the rural emergency
7 medical service system, as well as leveraging
8 hospital community benefit investments to
9 support prevention initiatives, just to name
10 a few.

11 The 2019 Executive Budget honors the
12 state's commitment to ensuring those who are
13 served by NYSOFA have access to
14 cost-effective, high-quality, coordinated
15 services that support autonomy, independence,
16 and access to objective information and
17 assistance regarding options, benefits,
18 application assistance, and interagency and
19 systems coordination and advocacy. The
20 budget maintains all funding for key
21 programs, including EISEP, which you're well
22 aware of; the Wellness in Nutrition Program,
23 which is the nation's leading nutrition
24 program, providing congregate and

1 home-delivered meals as well as nutrition
2 counseling and education; and the Community
3 Services for the Elderly program, the most
4 flexible funding stream we have to meet local
5 priorities.

6 And the budget retains the \$500,000
7 investment from the enacted budget last year
8 for the expansion of enhanced
9 multidisciplinary teams. We have partnered
10 with the Office of Victim Services to use
11 this investment to draw down an additional
12 \$2 million in federal funds annually for the
13 next three years. And I want to publicly
14 thank Director Cronin and her staff for all
15 their hard work in working with us.

16 The Governor's budget proposal also
17 invests in NY Connects sustainability through
18 a partnership with the Department of Health.
19 NY Connects is statewide, locally based
20 no-wrong-door system that provides one-stop
21 access to free, objective and comprehensive
22 information and assistance on accessing
23 long-term services and supports.

24 The state office understands, though,

1 that we need to continually do more to meet
2 new and emerging needs, and through various
3 partnerships, we work to meet these needs
4 without requiring additional state funding.
5 Through innovative partnerships with
6 foundations, community partners, and our own
7 innovation, we're expanding services and
8 testing new models of delivery.

9 These include piloting a home-share
10 program based on the successful Home Share
11 Vermont model;

12 Implementing the Aging Mastery
13 Program, in combination with the Health
14 Foundation of Western New York and other
15 foundations and partners, which is an
16 evidence-based intervention to develop
17 sustainable behaviors and behavior change
18 across many dimensions to improve health,
19 create stronger economic security, enhance
20 well-being, and increase societal
21 participation;

22 Working with the Department of Health
23 to design a clear pathway for inclusion of
24 aging network services and value-based

1 payment reform;

2 Piloting volunteer transportation
3 programs in rural areas that support dialysis
4 treatments, cancer screenings, and physician
5 visits;

6 Working with the Albany Guardian
7 Society and the Village-to-Village movement
8 to seed local villages, which organizes
9 neighbors helping neighbors;

10 Working to expand caregiver and
11 respite options through the Respite Education
12 and Support Tools model statewide.

13 Our external partnerships have
14 contributed to a wide variety of services
15 delivered to more than 750,000 older adults
16 and caregivers last year. I'm not going to
17 read each one, but there's a list in the
18 testimony that goes through our core
19 services, which include home-delivered and
20 congregate meals, case management, personal
21 care, nutrition counseling and education,
22 legal services, Medicare counseling,
23 et cetera. And our evidence-based
24 interventions, which we provide over 40 of,

1 that served over 20,000 people last year.

2 So we'll continue to engage state
3 agencies, not-for-profits, and other
4 community-based organizations to serve
5 New York's older population as effectively as
6 possible. And I want to thank you, and I
7 always enjoy being here and the support that
8 you provide not only to our agency, but your
9 communities and counties and the older
10 residents of the State of New York.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 Assemblywoman Lupardo, chair of the
13 Assembly Aging Committee.

14 ASSEMBLYWOMAN LUPARDO: Thank you.

15 Well, thanks for being here. I
16 appreciate your testimony.

17 And I have a number of questions.
18 We'll just start off with a couple and see
19 how much we can get through in this first
20 segment.

21 So becoming chair, I am spending a lot
22 of time on the community support services for
23 the elderly and of course the enhanced
24 in-home services as well. And I just think

1 it probably gives us the greatest value for
2 our state investment because it not only
3 keeps people in their homes longer, I think
4 it's better for them, for their mental
5 health, for their outcomes, and it reduces
6 hospitalizations or readmissions, which is
7 very important to the state.

8 I am struggling to try to assess the
9 unmet need. And advocates are always using
10 the figure of 16,000 are on waiting lists.
11 But I'm discovering that not all counties
12 keep a waiting list. And those counties who
13 do keep a waiting list, who used to advertise
14 more aggressively, have stopped advertising
15 because they can't meet the need.

16 So if you could help me think through
17 how are we currently collecting the data, and
18 might there be a way of improving that so we
19 have a more accurate picture of what we're
20 talking about here. Because I really think a
21 strong argument can be made obviously for
22 more investment in this, for a number of cost
23 savings across a variety of platforms in the
24 healthcare and mental health and other areas.

1 ACTING DIRECTOR OLSEN: And I agree
2 with you, Assemblywoman.

3 The first part of your question, I
4 couldn't agree more. I think that, you know,
5 this network over the last 40 years has
6 proven to be extremely effective in not only
7 providing prevention services that are very
8 low budget, high yield, but doing exactly
9 what you're talking about in terms of
10 reducing ER admissions, hospitalizations,
11 having a solid community-based infrastructure
12 when people are released from the hospital.

13 So I think that there's a lot of
14 partnerships that we have created and are
15 developing, whether it be through value-based
16 payments, managed long-term-care contracts,
17 working more with Medicare and accountable
18 care organizations to really be able to
19 demonstrate that value and have an additional
20 financing mechanism.

21 I think what's obviously clear, you
22 know, for the 11 to 13 years I've been in
23 this agency and then prior to, is that, you
24 know, we cannot count on the federal

1 government to provide the additional
2 resources that it should.

3 For a very long time the Governor, the
4 Legislature and communities and foundations,
5 et cetera, have really picked up the charge,
6 because you're seeing individuals in your
7 communities day in and day out that have a
8 need.

9 I think one of the great things is
10 with some of the additions that we've had in
11 our budget that have been negotiated over the
12 last couple of years, just over the last two
13 years there's been an additional \$31 million
14 in program spending that, you know, you may
15 not be aware of that we get reported from our
16 communities.

17 So yeah, I also saw in the waiting
18 list number there's a number floating around,
19 16,000, 17,000. I'm really not sure where
20 that number comes from. Unmet need is
21 something that I look at every year. I
22 require my staff, when they go and do their
23 annual visits to the area agencies, to gather
24 that information. And the numbers in unmet

1 need that I have are well, well below that.

2 And I think part of that reason is
3 some of those partnerships, some of the
4 foundations, some of the innovations, the
5 additional resources and then the additional
6 commitments from communities across the
7 state.

8 And so, you know, people don't also
9 just languish on a waiting list. There's a
10 lot of other things that can happen to help
11 connect people to services that may not be
12 directly funded by the AAA.

13 ASSEMBLYWOMAN LUPARDO: So what data
14 are we currently collecting, and how might we
15 do a better job of it, is what I'm trying to
16 get at. And before I go advancing all of my
17 own ideas, I'm looking for some input from
18 you.

19 ACTING DIRECTOR OLSEN: Yeah. Well, I
20 think for the most part you're right, most of
21 the communities do keep unmet need lists.
22 There's some that don't. So whether, you
23 know, that's a political issue locally, you
24 know, I'm not really that sure.

1 I think in terms of the core things
2 that our office helps to administer but
3 really is provided by our outstanding
4 counties and their partners across the state,
5 you know, we do ask those questions. They're
6 a snapshot in time. I think that's worth
7 some deeper thought in terms of identifying.

8 But I think the point that I want to
9 leave with is, you know, we do have a fixed
10 budget amount. But as you know now, as chair
11 of this committee, it's the most amazing
12 network of people around, where they go out
13 of their way to make sure, whether there's
14 unmet need or not, that there's linkages to
15 other community providers. Because what
16 doesn't get reported to us, for example, are
17 the towns and municipalities that are funding
18 look-alike services -- faith-based
19 organizations, United Way, CAP agencies,
20 et cetera.

21 So there's a variety of other ways to
22 receive service while people, you know, may
23 have some unmet need within our service
24 infrastructure. And we're looking at a

1 variety of other options to really diversify
2 funding so we're not totally reliant on
3 federal and state funds. Because this is a
4 community solution to a community issue of
5 demographic change.

6 ASSEMBLYWOMAN LUPARDO: Good. Well,
7 let's continue that conversation.

8 ACTING DIRECTOR OLSEN: Would love to.

9 ASSEMBLYWOMAN LUPARDO: Because I
10 think the more we can strengthen that data,
11 the better our case will be for improving and
12 expanding on this.

13 So speaking of that network that has
14 done such a great job, we've obviously spent
15 a lot of state resources on a public
16 awareness campaign on the NY Connects. You
17 mentioned it in your testimony. I'm trying
18 to understand what happened last year, where
19 we had a tentative allocation I think of
20 \$33 million, yet at the end of the day there
21 was \$14 million less in the final allocation
22 and counties were assessed and had cuts.

23 Can you explain how that happened and
24 how we were not aware -- at least I was

1 unaware of that until just in the last couple
2 of weeks.

3 ACTING DIRECTOR OLSEN: Sure. Well,
4 there are a couple of different funding
5 streams that made up the first tentative
6 allocation schedule. And so I just want to
7 backtrack a little, because I think what's
8 really important is when you're starting to
9 build -- you know, we went from a program, a
10 NY Connects program that was funded at a
11 little over \$3 million to a real robust
12 systems reform that was inclusive of five
13 state agencies. And then at the local level,
14 as you know, there are the counterparts --
15 Mental Health, Substance Abuse, OPWDD, Health
16 Department, and then a lot of other partners,
17 including Independent Living Centers. So we
18 really developed a robust system, it's not
19 really a program anymore.

20 There were a couple of different
21 funding streams. We had BIP dollars, the
22 Balance Incentive Payment, which was really
23 the primary builder of the enhancements. We
24 had state funding within our budget, which

1 was the \$3 million. And then there was some
2 global Medicaid cap dollars.

3 So when you're trying to build
4 something like this, you have to do it based
5 on some assessments that seem to make sense
6 to you. And so what are those assumptions?

7 One is how many people do you think
8 are going to touch the system. And, you
9 know, we develop that based on clustering
10 counties into seven different pots based on
11 population and so forth.

12 The second is how much time for an
13 average contact our staff is spending with
14 customers. Because this is very much
15 labor-driven, because there's some very
16 complex individuals that may have a variety
17 of needs.

18 And then the third being, you know, on
19 aggregate, what's the average salary of the
20 worker who's doing that kind of work.

21 So the initial allocation schedule is
22 really based on those assumptions, and hence
23 it was tentative. I think after it was
24 implemented over time, what we learned is

1 that some of those assumptions didn't
2 necessarily pan out. The numbers that hit
3 the system, while they grew, weren't near
4 where our assumptions were. And based on
5 real data from the counties and vouchering
6 history, the tentative allocation schedule
7 didn't match with reality.

8 And so it was what we have now
9 provided as a two-year, \$45 million
10 allocation to the global Medicaid cap, which
11 we believe is adequate to continue
12 sustainability.

13 ASSEMBLYMAN LUPINACCI: So when the
14 counties talk to us about having to have
15 eliminated 280 jobs that were terminated or
16 unfilled, are you saying that is sort of a
17 response to the fact that they weren't
18 needed?

19 ACTING DIRECTOR OLSEN: I think what
20 I'm saying is is that when a county got the
21 tentative allocation schedule, there was --
22 the expectation was there would be a buildup
23 of staff to handle the increase in demand.
24 There certainly was an increase in demand,

1 but it wasn't at the level that our
2 assumptions provided for that allocation.

3 And so, you know, frankly, most of the
4 counties did not spend the money. And so
5 it's very difficult to come in and ask for --
6 you know, I'm just throwing out numbers -- a
7 \$40 million program when the actual expense
8 was \$20 million.

9 ASSEMBLYWOMAN LUPARDO: I totally get
10 what you're saying. Their understanding of
11 the scenario is vastly different. And we're
12 going to have to try to reconcile those
13 stories, because they are really adamant
14 about the fact that this system is going to
15 fail under these parameters.

16 So we'll revisit this as we go
17 forward, because we want to try to help
18 everybody get on the same page.

19 I think I'll end for the moment and
20 regroup after another session.

21 ACTING DIRECTOR OLSEN: Assemblywoman,
22 can I just comment on your last point?

23 ASSEMBLYWOMAN LUPARDO: Sure.

24 ACTING DIRECTOR OLSEN: You know, like

1 I said, this was a major systems reform that
2 we built. And we did not build it to make it
3 fail. This program started in 2006. And we
4 had a real great opportunity with the balance
5 incentive, because that was one of the things
6 that the BIP grant required, was a systemwide
7 no-wrong-door.

8 And I'll tell you, you know, I have an
9 opportunity here publicly to just really
10 thank the five agencies and really my staff,
11 who have working tirelessly for the last four
12 years. This is not going to fail. It can't
13 fail. We didn't build it to fail. People
14 are relying on it. Your constituents are
15 relying on it. And I don't believe that that
16 would be the outcome.

17 ASSEMBLYWOMAN LUPARDO: I'm counting
18 on that. Thanks.

19 CHAIRWOMAN YOUNG: Thank you.

20 We've been joined by Senator Sue
21 Serino, who does a great job as chair of the
22 Senate Standing Committee on Aging.

23 Senator.

24 SENATOR SERINO: Thank you,

1 Chairwoman. And thank you, Greg, for being
2 here today.

3 Myself and my partner in the Assembly,
4 Donna Lupardo, have made combating elder
5 abuse a high priority. And last year we held
6 a hearing on the topic. And as you know, one
7 of the things that came out of that hearing
8 was the need for a 24/7 hotline to report
9 abuse.

10 As you know, there's currently no
11 uniform method of reporting and far too many
12 cases are known to go unreported, with the
13 statistics on elder abuse varying wildly.
14 Your office estimates that for every one case
15 of elder abuse, neglect, exploitation or
16 self-neglect reported to authorities, five
17 others go unreported. However, other
18 organizations claim that the number of
19 unreported cases could be upwards of 20 or
20 more for each case actually reported. And at
21 the hearing, an individual from the Attorney
22 General's office testified in reference to
23 financial abuse in particular, and noted that
24 only one in 44 cases are reported to

1 authorities.

2 So our goal, of course, is to protect
3 vulnerable older New Yorkers and increase
4 reporting by streamlining the process so that
5 we have a clear understanding of the scope of
6 the issue. And I'm very concerned that the
7 hotline was vetoed last year. However, I was
8 encouraged that in his veto message, the
9 Governor expressed support for the 24/7
10 hotline, which passed unanimously in both
11 houses of the Legislature, but he noted a
12 lack of resources because the bill passed
13 outside the context of the budget.

14 So this year I've reintroduced the
15 bill ahead of the budget in hopes that it
16 will be considered during this process. I
17 understand that there are budgetary
18 constraints this year, which we are all very
19 sensitive to, but that there are certain
20 things that should take priority, especially
21 those things that will help protect some of
22 the most vulnerable New Yorkers.

23 So since that time, have you been able
24 to determine an estimate for how much you

1 think the hotline would cost? Because I've
2 heard varying numbers.

3 ACTING DIRECTOR OLSEN: Well, first,
4 great to see you, Senator.

5 And congratulations to you and
6 Assemblywoman Lupardo for all your work on
7 elder abuse. I think that this is an issue
8 that has been in the dark far too long, but
9 due to the great work of organizations like
10 Life Span and some of the studies that have
11 borne out the data that you're describing,
12 you know, hopefully we have a new and
13 different day.

14 What I think is great about aging is
15 that it's not just necessarily contained
16 within the State Office for the Aging. So
17 you talk about financial exploitation and
18 what the role is of the banks and DFS and how
19 we work with APS and OCFS for adult
20 protective services. And we're working with
21 a lot of community organizations.

22 So I read the same veto message. That
23 bill that you talked about is in OCFS's
24 budget. They are running adult protective

1 services for the state. I do know that there
2 already is an 800 number within New York
3 State's state borders. So in terms of that
4 veto message, it is something that they're
5 willing to have a conversation about in the
6 context of this year's budget to see what the
7 infrastructure costs would be.

8 But I think what I'd like to talk
9 about, kind of in response to that, is
10 there's other ways to kind of get at your
11 points. And, you know, I think the bill that
12 you guys passed that was signed last year in
13 terms of identification within healthcare and
14 other settings to be able to screen and
15 identify possible elder abuse, we're working
16 with the Health Department, OCFS and OTDA,
17 based on the bill that you guys drafted and
18 passed last year, to be able to have more
19 sectors within the community to be able to
20 identify and make the right referral so that
21 we can be doing a better job in identifying.

22 The \$500,000 that was agreed upon last
23 year, as per my testimony, is going to
24 leverage an additional \$2 million a year for

1 the next three years, through OVS partnership
2 with us, to expand statewide the enhanced
3 multidisciplinary team model, which we were
4 one of five states in the country to receive
5 an innovations grant. We're the only ones
6 that tested this particular model, based on
7 California and what was happening in the
8 city.

9 And so I'm thrilled at some of the
10 progress that we're making. But this really
11 needs, again, to be a community solution to,
12 you know, making sure people aren't isolated,
13 being able to identify the types of issues
14 and predictors of potential elder abuse and
15 financial exploitation and then calling upon
16 the various agencies and their local
17 infrastructure and partners to work together
18 to do exactly what you're talking about.

19 So I'm hopeful within the context of
20 this budget, you know, the bill that you're
21 talking about is discussed a little bit
22 further.

23 SENATOR SERINO: And I love the
24 multidisciplinary teams. I think we're

1 definitely headed in the right direction.

2 But it's really troubling that we don't have
3 a number, and the fact that I'm hearing such
4 a disparity in the numbers.

5 So how did they do the breakdown?

6 Like how did they come up with the number
7 when I got the phone call and said it's going
8 to cost one number, and I was originally told
9 another?

10 ACTING DIRECTOR OLSEN: You know, I'm
11 not sure. That fiscal -- because that was
12 not in the state office, we wouldn't do a
13 fiscal on that. So I'm not sure that I saw
14 the fiscal. I'm not -- I'm not sure.

15 SENATOR SERINO: Because I think I was
16 told originally that it was going to be
17 \$5 million, and then I was heard it was
18 \$14 million. So that's quite a disparity.
19 And I understand that it is OCFS, but SOFA is
20 responsible for these people. So don't they
21 need to see that?

22 I'm just -- I'm so concerned about the
23 elder abuse, that you don't have a specific
24 place for people to call. It's a hotline.

1 You know, if somebody -- it's 2 o'clock in
2 the morning and they want to report
3 something, they need to be able to do so.
4 So ...

5 And then I have -- I know
6 Assemblywoman Lupardo had touched on the
7 NY Connects also. But one of the questions
8 that I had about that is what happens when
9 someone calls and no one answers or they
10 can't get through? Because I know that there
11 was an abundance of phone calls after we did
12 the big program and got the message out
13 there. So what happens --

14 ACTING DIRECTOR OLSEN: So under
15 normal business hours -- so I'm not aware of
16 people calling during business hours and not
17 getting through. If you're aware of
18 something like that, that's something I would
19 be very interested in learning.

20 So during normal business hours,
21 there's a couple of hours you can contact
22 NY Connects. We have a statewide 800 number
23 that was part of the deliverables of the
24 balance incentive payment. And so if you

1 call the 800 number, you can, you know, ask
2 it -- if you don't speak English or you do
3 speak English or another language, you can
4 ask for that language and then you can say
5 what county you're from. If the software,
6 which is pretty robust, recognizes the
7 county, it will direct you directly to that
8 county NY Connects program. If for some
9 reason you don't understand or you can't say
10 the county, it would go to one of our staff
11 at the state office. We use Language Line,
12 we have interpretation services, and we can
13 provide the contact to the county. If it's
14 off of business hours, the same process would
15 happen, only there's the ability to leave a
16 message both on our system and the local
17 system.

18 The other way is to contact our --
19 through office visits at the county level,
20 and that can also result in a website as well
21 as in-home contact once that contact is made.

22 SENATOR SERINO: Okay. I know we just
23 got an abundance of phone calls, so I wanted
24 to bring that to your attention.

1 And then Assemblywoman Lupardo touched
2 on the CSE also, because you have an estimate
3 that's quite different from the estimate that
4 we're hearing about the waiting list. I
5 think -- what is your number that you have?

6 ACTING DIRECTOR OLSEN: So my source
7 is the counties themselves. I'm not quite
8 sure where the other number came from. But I
9 can only get my information from the 59
10 counties that we oversee.

11 And so collectively, again, then these
12 are all the core services. So this isn't one
13 particular service. So years ago, just as an
14 example, there were unmet needs of about
15 7,000 people for transportation. In this
16 last year's snapshot -- again, an unmet need
17 is a snapshot in time. It doesn't mean that
18 if that was something six months ago, it's
19 today -- there's 30. And so that's less than
20 one per county.

21 Now, we want to serve everybody, so
22 I'm not minimizing that. But we are a little
23 bit above 5,000 in probably 12 core services.
24 And the primary area is in EISEP for personal

1 care, due to the home aide shortage. And the
2 way to deal with some of those things are the
3 counties are implementing consumer-directed,
4 where they can hire, you know, other people
5 to provide that care; using volunteers that
6 are trained to provide some of those
7 services. But that's an issue that the state
8 I know is collectively taking a look at, both
9 within Medicaid, Medicare, and within our
10 system.

11 SENATOR SERINO: Do you have a report
12 from SOFA on the numbers by county on the
13 wait lists so that we can have access to
14 that? Because I have numbers of 22,000. I
15 don't know if -- there are so many people
16 that are involved, of course, taking care of
17 the elderly. Are they not all reporting to
18 the county? We definitely have a huge gap
19 here, and that's a huge concern for me,
20 so ...

21 ACTING DIRECTOR OLSEN: I do have that
22 information that I can follow up with you.

23 Again, I'd be interested to see the
24 citations for the 22,000. Like I said, I

1 heard the 17,000. My data comes right from
2 the counties. So I'd be very interested to
3 see if whoever is floating those other
4 numbers can produce the documentation behind
5 them.

6 SENATOR SERINO: Okay. And we hear
7 from various advocates, as you can imagine.

8 ACTING DIRECTOR OLSEN: Understood.

9 SENATOR SERINO: When you're the
10 chair, everyone -- they reach out to us. As
11 they should, because we're the voice for
12 them.

13 But thank you, Greg.

14 CHAIRWOMAN WEINSTEIN: Assemblyman
15 DenDekker.

16 ASSEMBLYMAN DENDEKKER: Thank you,
17 Mr. Olson, for being here.

18 And I just want to talk about one
19 section, specifically, of what you mentioned
20 today.

21 You said that they're launching a
22 long-term planning council to understand some
23 of the needs of the aging population, and I
24 appreciate that. And I actually have a bill

1 have heard some stories, in my community, at
2 least, and from advocates that have come to
3 me, is that the price structure of that
4 assisted living facility is not controlled at
5 all. So when they went in and they told were
6 told \$2,000 or whatever, they look at how
7 much money they had and realized they had
8 enough to stay. And then lo and behold, you
9 know, they need to start taking medication,
10 and now they go to the nurse's station to get
11 their medication because they're not allowed
12 to take their own medication in that
13 facility, and then there's a disbursing fee
14 to give them their own medication. And
15 that's like \$35.

16 And then they get their bill at the
17 end of the month and it's the \$2,000 plus all
18 these other fees that they added in, and now
19 it's \$4,000. And they start to worry that
20 they're not going to have enough money to
21 stay. And then the next year the base rate
22 goes up from \$2,000 to \$3,000. And there
23 seems to be no control. Because they're
24 private facilities, they can charge whatever

1 they want.

2 And I think what we need to do as far
3 as the state's perspective is we need to hold
4 them accountable. They need to come up with
5 a financial planning at the time that that
6 senior wants to go in there. And if they
7 make some sort of contract with them on how
8 long they're going to be able to stay,
9 they're going to have to guarantee that they
10 can stay there even if they want to change
11 their prices later.

12 Because what we find some of those
13 seniors, after living in that facility for 10
14 or 12 years, and now maybe they're in their
15 late 80s or early 90s, now have no more
16 money. Now they have to go and move in with
17 the family that they didn't want to burden
18 them with their -- taking care of them, and
19 now they have no finances at all because
20 they've exhausted it all through the assisted
21 living.

22 So I'd hope that when you look at this
23 long-term council that you're going to put
24 together, that you will study that and see if

1 we can make recommendations to that area that
2 you may not normally think about, of -- this
3 is private assisted living facilities that
4 can charge anything they want and increase
5 their prices month to month, year to year,
6 with no notice whatsoever. And we need to
7 kind of be careful here, we need to control
8 the senior population that does have some of
9 their own funding privately, and make sure
10 that they're not being cheated.

11 To me at times it almost seems like
12 it's a financial exploitation, because they
13 have to fully disclose how much money they
14 have before they go in, and it's almost like
15 they know how much money they have and
16 they'll just keep on basing their prices
17 accordingly. And I'm very concerned about
18 it.

19 ACTING DIRECTOR OLSEN: You know,
20 Assemblyman, you bring up a great point. I'd
21 be very interested in your bill number, if
22 you can get that to us afterwards.

23 But, you know, the Assisted Living
24 Reform Act of --

1 ASSEMBLYMAN DENDEKKER: 3061.

2 ACTING DIRECTOR OLSEN: 3061? Okay,
3 thank you.

4 The Assisted Living Reform Act that
5 was passed in 2005 to license and regulate
6 assisted living, including the private pay --
7 that was really what it was about -- should
8 have had in it, and I will double back,
9 because it's been a while since I've taken a
10 look at that. That's overseen by the
11 Department of Health. But should have those
12 protections in them.

13 And so I guess one of the questions
14 that I would have pertaining to the issue
15 that you raised is are there already
16 regulations on the books that require what
17 you're talking about that maybe people aren't
18 aware of or what have you. So I'd like to
19 get back to you on that, because I think you
20 raise a good point.

21 ASSEMBLYMAN DENDEKKER: Thank you.

22 CHAIRWOMAN YOUNG: Thank you.

23 Glad to have you here today.

24 ACTING DIRECTOR OLSEN: Thank you.

1 CHAIRWOMAN YOUNG: I just want to
2 follow up on a couple of comments from my
3 colleagues. And I did want to say that the
4 NY Connects program, as you point out, it's
5 become a system now -- has become invaluable
6 to many people's lives across the state. And
7 recently I had some of the my Office for the
8 Aging directors come to me, and they're very
9 concerned about the fact that there's a
10 \$40 million plus, I believe, allocation for
11 NY Connects, but it's not for one year, it's
12 over two years.

13 And I would say to you that their
14 estimates of \$33 million per year is the
15 right figure. And I know that your agency
16 has gone out and done a very aggressive
17 effort in enrolling people in the program.
18 And so now to pull the rug on the funding I
19 think is a mistake, number one.

20 And number two, you have to look at it
21 in the context of an aging population. And
22 we see an exploding aging population across
23 the state.

24 So I just want to draw that to your

1 attention. Because you have made a very good
2 program and system be put in place, and now
3 it seems to me that it's not going to be
4 financed correctly.

5 Could you comment on that?

6 ACTING DIRECTOR OLSEN: Yeah, I -- you
7 know, and I agree with your point. Our
8 three-year financial plan has built-in
9 increases based on volume increases. Of
10 course, the demographics shift. I think a
11 lot of the things that we're working on,
12 whether it be NY Connects, fits in with
13 age-friendly state, Health Across All
14 Policies, trying to really redefine and
15 reeducate folks on the value of the older
16 population, what they bring and what they
17 mean to your community, and so on.

18 I can only tell you that, again, the
19 original tentative allocation was based on
20 assumptions that didn't bear out for the most
21 part. And that's what you do when you're
22 building programs from the beginning. We
23 expected around this time, based on our
24 assumptions, contacts in excess of 600,000 a

1 year. We're not quite there.

2 That doesn't mean that there's not
3 support for the systems reform. I would say
4 it's quite the opposite. But it's very
5 difficult to advocate for a certain value
6 when the assumptions that -- based on the
7 value didn't bear themselves out.

8 What I have been remiss to say is
9 that, you know, 10 states already -- and we
10 are working on this vigorously, hopefully to
11 be there at this point next year, is there
12 are a lot of tasks that are included in the
13 no-wrong-door that allow us to apply for
14 federal financial participation under
15 Medicaid, which will bring additional
16 resources to the program.

17 And so that's something that -- you
18 know, 10 states have already applied to CMS
19 for approval and have been approved,
20 including some of our neighbor states,
21 New Jersey -- and we're working with states
22 like Maryland. But that's an additional
23 piece that reflects spending based on actual
24 work. So that we're not making judgments

1 based on assumptions, but actual, real people
2 served.

3 CHAIRWOMAN YOUNG: And I appreciate
4 that. But with the continued pressures on
5 the Medicaid global cap, how could those
6 pressures potentially impact the funding for
7 NY Connects? Because you're saying that
8 maybe we could expand it through the Medicaid
9 program, but we see changes coming down the
10 pike on the federal level, potentially. And
11 so to rely on those dollars I think could be
12 detrimental going forward.

13 ACTING DIRECTOR OLSEN: Well, and I
14 actually fully agree with that, which is why
15 I think FFP is the way to go.

16 So again, the initial assumptions
17 created a system. Those now are being funded
18 out of the global Medicaid cap, which does
19 fluctuate depending on a lot of different
20 variables and actions, at the federal level
21 and others.

22 The Medicaid FFP are administrative
23 dollars based on actual time spent doing
24 tasks that are reimbursable, which is much

1 more secure than fluctuations in a huge
2 program -- you know, a \$60 billion program.

3 I think that there's also a lot of
4 other opportunities that, you know, we could
5 talk about in terms of value-based payments,
6 accountable care organizations, REDCs. Where
7 when you really look at what it's designed to
8 do -- prevention, get people to the right
9 service at the right place at the right time,
10 reduce hospital readmissions, there's DSRIP
11 and PPSs -- that, you know, I think what
12 we're trying to do is really create a
13 business acumen case around this just
14 shouldn't be financed in one particular area,
15 for exactly the reasons that you're
16 describing.

17 And that's true of the core services
18 that we provide as well. If we continue to
19 rely on one or two sources of funding, that's
20 a losing proposition. And I think what we've
21 tried to do and what I've tried to do is
22 really tried to establish not only those
23 agency relationships, but the community
24 partner relationships so that we can

1 diversify our funding streams and not have to
2 deal with fluctuations in the market every
3 year.

4 CHAIRWOMAN YOUNG: So what role would
5 the REDCs take?

6 ACTING DIRECTOR OLSEN: Well, I think
7 that, you know, in terms of economic
8 development, there's a workforce investment
9 here. Certainly by keeping people in their
10 homes and communities, there's an economic
11 footprint by keeping viable older people,
12 people over 50, et cetera, persons of all
13 ages active in their community, paying taxes,
14 supporting local businesses, supporting
15 schools.

16 Certainly within the DSRIP realm, that
17 whole DSRIP is around preventable hospital
18 readmissions rate by 25 percent. One of the
19 core services of the no-wrong-door is care
20 transitions.

21 So I think that there's a lot of
22 opportunities that we just to need to
23 continue to work to connect the dots on.

24 CHAIRWOMAN YOUNG: I understand that

1 there's an economic footprint, but I'm really
2 not sure what the role of REDCs would be in
3 addressing these senior citizen issues. But,
4 you know, we can talk some more about that.

5 So thank you.

6 ACTING DIRECTOR OLSEN: Sure.

7 SENATOR KRUEGER: Hi. How are you,
8 Greg?

9 ACTING DIRECTOR OLSEN: Good, Senator.
10 How are you?

11 SENATOR KRUEGER: Good.

12 So a lot of the questions have been
13 around adequate care for seniors as they get
14 older. And a lot of the programs are
15 actually run through DOH, and you've got
16 Medicaid funding, as we just discussed. But
17 it's really your agency's job to project, I
18 think, for us the growth or lack of growth in
19 need and some demographic projections.

20 So I'm reading in the Governor's
21 budget that he wants to change the
22 eligibility for managed long-term-care plans
23 to make it harder to get home care services
24 under Medicaid by changing the -- I guess the

1 percentage of whatever standard you have to
2 meet before you can get it. And they want to
3 reduce the total number of agencies that
4 they're contracting with.

5 And I see this all as leading to there
6 will be services for a smaller percentage of
7 the total population in need, as opposed to
8 what I see as a growing demand based on the
9 demographics of our becoming an older
10 society.

11 And then I hold that up also
12 against -- and again, I know it's regional
13 differences, but at least in my neck of the
14 woods in Manhattan and New York City, the
15 number of nursing home beds are shrinking,
16 and they are shifting from any kind of
17 long-term care to short-term rehab.

18 Now, nobody wants to be in a nursing
19 home, but sometimes you don't have a choice.
20 And you were already answering questions
21 about shortages in home care services, and
22 now we're going to be reducing who will be
23 eligible for those in the Medicaid program,
24 at least based on the Governor's budget. But

1 the alternative, which is really needed by a
2 significant number of people, which is an
3 actual nursing home bed, is also shrinking.
4 So it's a planning exercise.

5 Who's looking at the actual counts of
6 what we're going to need, knowing what we
7 know about population demographics in
8 different parts of the state?

9 ACTING DIRECTOR OLSEN: I think it
10 depends on the question. So I think,
11 Senator, you're raising -- you know, I think
12 those questions in terms of the Health
13 Department's budget and changes in program or
14 policy in Medicaid is really for the
15 Department of Health when they come and
16 testify.

17 What we do is we are not the medical
18 model. We help support the medical model.
19 There's finally a recognition, I think
20 broad-based, in terms of how important social
21 programs are in terms of healthcare spending,
22 that 60 percent of all healthcare spending is
23 doing to social determinants. That's what
24 our network does and does so well.

1 The majority of the folks that we
2 serve are Medicare or dual-eligibles. We
3 have quite a few contracts throughout the
4 state with MLTCs in terms of provision of
5 meals, congregate meals, home
6 delivered-meals, non-emergency
7 transportation. But those questions are
8 really for the Health Department.

9 In terms of projections, I think what
10 we're trying to do, at least our agency, in
11 working with others and our partners, is
12 prevent people from spending down to Medicaid
13 by providing cost-effective services in their
14 community that can help that, that can keep
15 people out of the emergency room and out of
16 the hospital and have, again, a
17 community-based infrastructure -- which is
18 how we were structured with the Older
19 Americans Act in 1965 -- to be able to make
20 those connections and, you know, kind of knit
21 that service together.

22 So we have, as you mentioned, there's
23 a little over 100,000 nursing home beds, but
24 we've got 3.7 million people over the age of

1 60, 4.2 million people between 45 and 59.
2 They're not going to be going into the
3 nursing home. They're going to be needing
4 community-based support services.

5 So some of the initiatives that I
6 think we saw come out of last year's budget
7 that are in this year's budget, and some of
8 the plans that we're looking into, like
9 creating a private-pay market, for example,
10 looking differently about maybe tapping --
11 how we can figure out how to use home equity
12 a little bit different. I'm not talking
13 about reverse mortgages. But really finding
14 ways to incentivize the kinds of programs and
15 services that our network has been successful
16 at doing for a very, very long time at low
17 cost.

18 I'm very hopeful that the efforts
19 around creating an age-friendly state really
20 begins that dialogue in terms of planning
21 what these numbers mean. I mean, I have the
22 numbers on what the projections are. I have
23 the rates of self-care limitations, you know,
24 by the state. So we kind of know where we

1 need to be. I just think our focus for too
2 long has been clinically driven, medical
3 model driven.

4 And I think what the Governor has done
5 so successfully with the Prevention Agenda,
6 Health Across All Policies, creating an
7 age-friendly state and then this year, in the
8 executive order, to really look at the
9 domains of age-friendly in our planning
10 documents, in our county planning documents,
11 in our procurement efforts, can really start
12 to change the dialogue.

13 Because despite the fact that, you
14 know, we've been duped for a hundred years
15 into believing that this population is all
16 the same -- old, frail, Alzheimer's
17 disease -- I could look around this room, I
18 could look at, you know, who's running
19 businesses, who's running nonprofits --

20 SENATOR KRUEGER: Be very careful. Be
21 very careful, Greg.

22 (Laughter.)

23 ACTING DIRECTOR OLSEN: Well, I put
24 myself in that as somebody that turned 50,

1 right.

2 We look at the longevity economy.

3 This is a very, very important economic,
4 social and intellectual population, as you
5 know, Senator. And we just have yet to grasp
6 and think about it differently and recognize
7 how important these folks are. Other states
8 have recognized that. I think we've turned
9 the corner and are starting to make some real
10 inroads in terms of recognizing the value of
11 these folks to our communities and our
12 families.

13 And I'm hopeful that as we start to
14 change the way we think, then our
15 interventions start to change along with
16 that.

17 SENATOR KRUEGER: So I don't disagree
18 that it's not just a medical model. And I
19 don't disagree that looking at it in a
20 different way and recognizing that even
21 talking about "seniors" can be a 35-year span
22 of life. In fact, somebody told me they
23 didn't like to be called seniors or elderly
24 and they wanted a new term, so they're

1 talking about it as chronologically gifted.

2 (Laughter.)

3 ACTING DIRECTOR OLSEN: Oh, that's
4 pretty good. That's pretty good.

5 SENATOR KRUEGER: Thirty-five years
6 chronologically gifted.

7 But I also -- I really worry that
8 we're not actually evaluating what our supply
9 and demand is. And I do think that that is a
10 responsibility that your agency should have.

11 So we just heard the discussion back
12 and forth with Senator Serino about who even
13 keeps track of the waiting lists. But I
14 think it's really important to evaluate what
15 are the demands and how much of that are we
16 filling and where do we have the big gaps.

17 And if we say, Well, that's over there
18 in the Health Department, or that's over
19 there in senior housing in the Housing
20 Department, or that's over there -- that's
21 not going to work for us. So I'm hoping that
22 SOFA will sort of function as the demographic
23 planning base for us to be able to draw on
24 when we're trying to think through, you know,

1 the models we need of what's working and
2 where we have big gaps.

3 Because I personally feel, even if
4 we're all heading in a right direction, the
5 gaps are getting bigger, not smaller.

6 ACTING DIRECTOR OLSEN: You know, I
7 agree, Senator. I didn't mean to leave with
8 the impression that, you know, that's the
9 Health Department's responsibility. I think
10 that there's a lot going on behind the scenes
11 and publicly to try to connect health and
12 social services a little bit better.

13 But those specific policy decisions
14 that you had referenced were not ones that I
15 was involved in, and so I can't comment on
16 them. But in terms of the bigger picture,
17 with changes in the Affordable Care Act that
18 incentivize Medicare and social services and
19 being able to share savings, with managed
20 long-term care, with value-based payments --
21 these are all efforts that the Health
22 Department are undertaking to really bring in
23 organizations like ours and our network,
24 because they see the value of what we do in

1 terms of addressing social determinants that
2 really have a huge impact on healthcare
3 spending.

4 SENATOR KRUEGER: Thank you.

5 CHAIRWOMAN WEINSTEIN: Assemblywoman
6 Lupardo.

7 ASSEMBLYWOMAN LUPARDO: Just two areas
8 that haven't been touched on yet.

9 We are not leaving without talking
10 about NORCs, naturally occurring retirement
11 communities, and neighborhood NORCs. If you
12 could give me the simple version of what
13 happened to the \$2 million that we allocated
14 last year from the Mortgage Insurance Fund,
15 I'd appreciate it.

16 ACTING DIRECTOR OLSEN: Yes. The
17 simple version is is that our agency did not
18 have the appropriation authority to spend it.
19 So we reached out to OSC, the Division of the
20 Budget, SONYMA, to try to figure out if there
21 was a mechanism to access those funds, and
22 the answer to that is -- is negative.

23 My understanding is as late as late
24 last week, DOB had been working with Assembly

1 staffers and there's been conversations
2 behind the scenes to see if there can be a
3 solution reached during this budget cycle.

4 ASSEMBLYWOMAN LUPARDO: Okay. So
5 we'll pay attention to that.

6 And also there was some confusion over
7 this year's contracts, where some people were
8 complaining that they received a lesser
9 appropriation. What happened with this
10 year's contracts?

11 ACTING DIRECTOR OLSEN: So when the
12 RFA was withdrawn in October, we let all the
13 existing contractors know that they would
14 continue with the base allocation that
15 they've received. All the contract letters
16 have been signed, I do those personally, and
17 they're out the door. So I'm not quite sure
18 what that means, because we have -- the
19 dollar amounts that they're receiving are
20 exactly the same as they were receiving
21 before.

22 ASSEMBLYWOMAN LUPARDO: Exactly the
23 same. Okay. I'll double back on that.

24 I do have a couple of questions about

1 the long-term-care planning councils. The
2 Governor mentioned it in his State of the
3 State, but there's no budget language.
4 What's the plan?

5 ACTING DIRECTOR OLSEN: So it's in the
6 State of the State book. And so, you know,
7 again I smile because sometimes -- you know,
8 sometimes we do things right the first time
9 around. So I'll give you an example of what
10 I mean by that.

11 In 2006 when we launched NY Connects'
12 no wrong door, we were the only ones in the
13 country that required every county to have a
14 local long-term care council. And I'll
15 explain how that fits into this.

16 So we currently now have 2,000 people
17 that represent the health industry, nursing
18 homes, law enforcement, legal services,
19 community groups, civic groups, disability
20 groups, et cetera, on local long-term-care
21 councils. And what they're really designed
22 to do is do local gaps analysis and
23 problem-solve. Again, another way to provide
24 services where there may not be resources.

1 Folks have been problem-solving for years.

2 So this long-term-care council, you
3 know, I think that the name we have to be
4 careful of. Language is very important.
5 Most people think of long term care, they
6 think of nursing homes, they think of
7 medical. That's not what I think and that's
8 not what this is about. This is about really
9 looking at the demographics as a whole,
10 understanding what the existing gaps and
11 needs are for older adults, what are the best
12 practices moving forward in terms of what
13 people want.

14 And so I think that the idea is -- and
15 we've had some preliminary conversations with
16 the Health Department, because it's under our
17 two auspices to run this -- is to really
18 engage not only the long-term-care councils
19 but the EMDTs, other coalitions, certainly
20 groups, you know, that you would recommend,
21 to really get an idea, if you're talking
22 about aging, there's much more to it than
23 just clinical Medicaid services. There's all
24 the other things that happen, from

1 information to training to understanding what
2 aging even means, and the types of
3 evidence-based programming that's already out
4 there that has proven dividends, and then
5 create really a larger plan so that, as the
6 demographics change over time, we're ready as
7 a state, an age-friendly state -- which again
8 isn't old age, it's age across the
9 spectrum -- to be able to create communities
10 and support people where they want to be,
11 which is in their homes.

12 ASSEMBLYWOMAN LUPARDO: So do we have
13 a time frame for this? And will there be a
14 need for funding to support this?

15 ACTING DIRECTOR OLSEN: We're going to
16 be able to manage this within our existing
17 funding. It's mostly going to be a staffing
18 issue, both on my side and the Health
19 Department's side, but that's something that
20 we can manage.

21 We've developed a tentative plan, and
22 work plan, and so we're having those
23 preliminary conversations now. But I think
24 the first thing that we want to do is do a

1 real data-gathering effort at the local
2 level. And what I'm personally not
3 interested in as much as the 30,000 foot
4 advice -- but as I mentioned, we've got 2,000
5 people who are doing this kind of work in a
6 variety of settings every single day, and
7 those are the people that we want to hear
8 from.

9 ASSEMBLYWOMAN LUPARDO: So I'm
10 assuming, then, that consumer advocates and
11 people on the ground --

12 ACTING DIRECTOR OLSEN: Absolutely.

13 ASSEMBLYWOMAN LUPARDO: -- will be
14 involved in this.

15 ACTING DIRECTOR OLSEN: Absolutely.

16 ASSEMBLYWOMAN LUPARDO: Very good.

17 Thank you.

18 ACTING DIRECTOR OLSEN: Sure.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 Assemblyman Oaks.

21 ASSEMBLYMAN OAKS: Thank you,
22 Commissioner. Just following up a little bit
23 with that, with Assemblywoman Lupardo and
24 talking about the communities but also

1 individuals wanting to age in place and
2 issues around that.

3 You don't specifically, I don't think,
4 in your remarks speak to that, but clearly
5 with the planning council you think that
6 that's where there will be some addressing of
7 that. I know that most families who have
8 parents that get to an age where they have to
9 make determinations, it's something that
10 everybody ends up going through and trying to
11 figure out how to manage that, how to meet
12 the needs of the individual and their
13 desires, how to meet the needs outside of
14 that, what works for them.

15 And sometimes you come into conflict
16 with what the healthcare entity might feel.
17 Someone has a fall, they want to go back
18 home, people are questioning whether the
19 spouse, the family, more of a less formal
20 setup works.

21 But I think that whole issue is one
22 that kind of grinds at society, because there
23 is no exact answer for that, and it may be
24 very different from, you know, person to

1 person. And if you know your healthcare
2 person well, they may make a different
3 decision than if you know them extremely
4 casually or this is the first event.

5 And so I have, you know, interest in
6 that just because I hear that from
7 constituents. Again, most people go through
8 it at some point in their lives. So my
9 interest and hopefully the agency's is
10 working to hopefully come up with a way that
11 serves individuals and those who are aging as
12 best we can, but also takes the complicated
13 situation of where families are and tries to
14 make this work. Sometimes intrusion of
15 government in the midst of that is difficult.

16 So just -- I don't know any --

17 ACTING DIRECTOR OLSEN: No, I hear
18 you, Assemblyman. And I think, you know,
19 you're hitting on a point that I think a lot
20 of folks gloss over. And this is really,
21 really complicated personal stuff. Older
22 people a lot of times -- this is not older
23 people, this is all of us -- we don't ask for
24 help. We think we can go. You know, pull

1 yourself up by your bootstraps. There's
2 family dynamics that may not be the ones that
3 we think of. There are very trying
4 relationships. There may be nobody there.
5 There are needs and complications. This is
6 not easy stuff.

7 I think that one of the real positive
8 things, at least about the network that we
9 provide, is that it's really focused in on
10 being person-centered, trying to look at
11 positives, trying to engage family members
12 where appropriate and where they exist --
13 because it doesn't always exist -- and trying
14 to mediate some of these very difficult
15 conversations to help people the best that
16 you can. But it's not always easy. The
17 results aren't always the way that we want
18 them. But, you know, what you're raising is
19 exactly right, this is difficult stuff.

20 ASSEMBLYMAN OAKS: Is the goal of the
21 group that's going to meet, the council, is
22 it their goal to propose legislation or
23 entertain that which might give some greater
24 clarity or give greater latitude in

1 decision-making around that area?

2 ACTING DIRECTOR OLSEN: You know, I'm
3 not sure we're there yet.

4 But let me give you an example. When
5 you engage a broad group of diverse
6 individuals on what they're seeing -- so if
7 I'm -- for example, we have a really good
8 working relationship with the Office of Court
9 Administration. So issues associated with
10 accessing the courts and hours and are they
11 ADA-compatible, things of that nature are
12 going to be very different than a social
13 worker that visits the home.

14 So I am hopeful that we're going to
15 get a very, very diverse and thoughtful
16 response to looking at people's lives
17 holistically so that we can come up with
18 whatever the plan may be in order to support
19 people living in their community. And it's
20 much more than medical care and simple social
21 services. Those are major components, but
22 there's more to it than that. You know,
23 there's a law enforcement perspective,
24 there's a courts perspective, there's a legal

1 perspective, there's a housing perspective,
2 there's a transportation perspective, there's
3 a family perspective, and so on and so forth.

4 And so that's why I think I'm really
5 excited about this State of the State
6 proposal, because I think a lot of the things
7 that we see on a day in and day out basis
8 will wind up being the type of
9 recommendations of how communities can
10 reorganize and support the people that live
11 there independently.

12 So whether it winds up being
13 legislation, I really don't know because I
14 don't think we're that far along in the
15 process. We're really just trying to think
16 through how we can begin the process of
17 gathering that type of information to make a
18 -- you know, begin to evaluate what's out
19 there and what needs to happen.

20 ASSEMBLYMAN OAKS: Thank you.

21 SENATOR KRUEGER: Senator Velmanette
22 Montgomery.

23 SENATOR MONTGOMERY: Yes, hello.

24 ACTING DIRECTOR OLSEN: Hi, Senator.

1 SENATOR MONTGOMERY: First of all, I'm
2 just glad to see you again.

3 ACTING DIRECTOR OLSEN: You as well.

4 SENATOR MONTGOMERY: Thank you.

5 I know you were in my district a few
6 years back, it's been some time. But you
7 said something very profound, and I never
8 forgot that. And that was the importance of
9 creating, as you said, I think, an
10 age-friendly and supportive environment.

11 And I'm just wondering, do you have an
12 update of just to what extent we are sending
13 funds out of the state and resources are
14 leaving the state because the elderly are not
15 able to really manage the environment in New
16 York State? New York City in particular, I
17 guess.

18 ACTING DIRECTOR OLSEN: You know, we
19 don't have the information in terms of
20 out-migration. What we do know, and I think
21 Senator Tedisco kind of alluded to that
22 earlier -- I wasn't sure if it was regarding
23 retirees or younger people. You know, we
24 know that nine out of 10 people want to

1 retire in New York State. There's a variety
2 of reasons that they choose to do that or
3 choose not to. I think the common myth is
4 people are moving to Florida. Certainly
5 that's one of them, but that's not where --
6 you know, the other top five are Connecticut,
7 New Jersey, and Pennsylvania. So they're
8 right on the border.

9 I think there's a lot of indicators
10 and studies out there that peg New York as a
11 bad place to retire. But when you look at
12 scales that look at much more than just
13 taxation and cost of living, many New York
14 communities, including the city, Syracuse,
15 Ithaca, Saratoga, Cornell, Corning -- and I
16 could go on and on and on -- actually rank
17 very highly when you look at scales that are
18 in demand by older people and also
19 millennials. You know, mixed use, access to
20 enabling housing, affordable transportation,
21 not having to use a car everywhere, close to
22 amenities, things of that nature.

23 So I think what I'm most excited about
24 over the last couple of years has been,

1 again, the Governor's commitment on this
2 Prevention Agenda, which we're part of the ad
3 hoc committee. I mean, I think what our
4 entire network does is really prevention in a
5 whole variety of ways. The Health Across All
6 Policies, which is engaging non-health
7 agencies to help improve population health.
8 A lot of that fits in with the domains of
9 age-friendly communities, and then moving
10 New York towards an age-friendly state.

11 You'll be seeing an executive order
12 this year that really directs the state
13 agencies in their planning and procurement
14 documents to start to think through those
15 kinds of things and plan for them.

16 And I think the last couple of years a
17 demonstration of how that actually works is
18 that in the Downtown Revitalization
19 Initiative, the \$200 million that went out,
20 we were able to build into those procurement
21 opportunities the concepts of smart growth
22 and age-friendly communities. So that's kind
23 of an example of how you go about doing that.

24 I know that many communities around

1 New York State have chosen on their own to
2 sign on to AARP and the World Health
3 Organization's age-friendly communities,
4 including the City of New York. I think
5 that's great. Because as we start to think
6 about the population -- but more importantly,
7 redefine it in terms of the value -- not that
8 everybody is old, sick, frail, in a nursing
9 home, because that's not who they are -- then
10 I think we start to -- you know, when you
11 develop that value proposition, you start to
12 think about the population differently and
13 what they need and what they mean to the
14 community.

15 And that's -- I'm really excited about
16 that, because I think those kinds of things
17 are policy changers and game changers for
18 communities to support one another.

19 SENATOR MONTGOMERY: So I appreciate
20 your vision and look forward to the outcome
21 of the vision.

22 ACTING DIRECTOR OLSEN: Thank you,
23 Senator. Thank you for all your support as
24 well.

1 CHAIRWOMAN WEINSTEIN: Thank you for
2 being here this afternoon. And we look
3 forward to continuing to work with you.

4 SENATOR KRUEGER: Oh, Sue Serino has
5 one more question.

6 CHAIRWOMAN WEINSTEIN: Oh, I'm sorry.

7 SENATOR KRUEGER: I apologize.

8 ACTING DIRECTOR OLSEN: And I never
9 congratulated you on your new chair, so
10 congratulations.

11 CHAIRWOMAN WEINSTEIN: Thank you,
12 Greg.

13 So Senator Serino.

14 SENATOR SERINO: Thank you very much.

15 And it's very short, Greg. You know,
16 I was very excited when Uber and Lyft, we
17 passed it. And people would think about our
18 young children -- you know, college-age --
19 but I always thought about our seniors. The
20 only issue with that is you have to kind of
21 be able to handle the technology.

22 So I have a bill with Assemblywoman
23 Lupardo that would actually allow people that
24 they can turn in their cars for

1 transportation credits so that they'd be able
2 to get around. I know it's worked quite well
3 in other states.

4 Is there anything that you guys are
5 working on, like maybe to think outside of
6 the box, or something that we can address the
7 transportation issue? Because it's been
8 probably one of the top three complaints that
9 we hear from seniors.

10 ACTING DIRECTOR OLSEN: I couldn't be
11 more thrilled to hear you say that. Has the
12 bill been introduced already?

13 SENATOR SERINO: Yes.

14 ACTING DIRECTOR OLSEN: All right, so
15 we'll track that down.

16 So I was equally as excited with Uber
17 and Lyft, because not only is that
18 potentially a transportation solution to the
19 million people that give up their keys every
20 year, but it's also a job opportunity for
21 people that want to do that.

22 The credit idea that you describe was
23 part of a larger system that was developed --
24 I think you and I might have talked about it

1 a few years ago -- the Independent
2 Transportation Network out of Portland,
3 Maine. Years ago I thought this was the
4 greatest model, because again it's a
5 community-organizing model to address the
6 transportation problem from a community
7 perspective. Right? Can't get to the
8 doctor's office or to the mall or to other
9 outlets if you don't have transportation, and
10 that affects the business model of a lot of
11 these folks.

12 And so they had a variety of different
13 ways to fund raise. One was if you can't
14 drive anymore and your car is worth \$7,000,
15 you could donate it to the program and get
16 \$7,000 worth of rides. If you were -- you
17 know, like the -- remember the old McDonald's
18 coupons at Christmastime, they gave you a
19 little booklet. You know, you could buy
20 those. Or as a caregiver or a spouse or, you
21 know, a son, you could buy those on behalf of
22 your parents.

23 So there was a variety of those types
24 of ways. And so it sounds a little bit like

1 that's kind of where you're going with that.
2 And I think that's pretty innovative and good
3 thinking out of the box on your behalf.

4 The driverless cars scare the heck out
5 of me. I know the technology's good, but
6 again my -- I have to reboot my phone. And
7 so that's just a personal thing. But again,
8 I think that's another great innovation that
9 I know has been tested and people really
10 think it's going to be the next best thing,
11 but we do have to be thinking about those.

12 We've also been piloting a couple of
13 transportation volunteer models in some rural
14 areas, one particularly in Franklin, where
15 they're really utilizing volunteers to bring
16 people to dialysis and cancer treatments
17 where, without that service, these folks
18 would not be able to remain in their homes
19 and communities.

20 So I think a combination of these
21 types of things is really what we have to get
22 to. It's not a one-size-fits-all, but it's
23 multiple tools in the toolbox to address
24 transportation issues.

1 SENATOR SERINO: I know another issue
2 that kind of wraps around with that too is
3 some of the home healthcare providers with
4 problems with transportation too. So we need
5 to include everybody in the conversation.
6 But thank you.

7 ACTING DIRECTOR OLSEN: Thank you.

8 SENATOR KRUEGER: Jim Tedisco.

9 You thought you were getting away, but
10 you didn't make it.

11 SENATOR TEDISCO: Thank you, Director,
12 for your testimony and for being here. I
13 missed some of it because I had to be at
14 another hearing.

15 Long-term healthcare, long-term
16 healthcare partnership policies in New York
17 State. Are you familiar with those?

18 ACTING DIRECTOR OLSEN: I am.

19 SENATOR TEDISCO: Are you familiar
20 with what's happening with those --

21 ACTING DIRECTOR OLSEN: In terms of
22 the costs going up?

23 SENATOR TEDISCO: Yeah.

24 ACTING DIRECTOR OLSEN: Yes, I am.

1 SENATOR TEDISCO: Sixty-four percent,
2 70 percent, 80 percent.

3 ACTING DIRECTOR OLSEN: Yup.

4 SENATOR TEDISCO: Is there anything
5 that can be done about that? I mean, a lot
6 of seniors have called me and said, We don't
7 know if we can afford to pay this now. And
8 we've paid our mortgage, it took us 30 years.
9 We're not sure we can afford to pay the taxes
10 on our long-term healthcare policies, and
11 they're thinking about turning it in.

12 I mean, there was a lot of promises
13 made from a lot of individuals when that was
14 courted by us by a governor way back. And
15 I'm wondering, is there anything that can be
16 done to mitigate the cost for these
17 individuals?

18 ACTING DIRECTOR OLSEN: You know, I'm
19 really not sure. I'd love to follow up with
20 you on that. I know that the actuarials were
21 wrong. They thought that people wouldn't
22 live as long, they wouldn't tap them, and
23 that they wouldn't pay the premiums and would
24 drop off, and that obviously didn't happen.

1 We have a lot of folks, even with my agency,
2 who have retired who reported that to us who
3 had bought partnership plans. So ...

4 SENATOR TEDISCO: But they used the
5 wrong rhetoric with a lot of people. I mean,
6 the rhetoric was they may go up in premiums,
7 but just a little bit, they won't go up much.

8 They just went up last year
9 64 percent. And if you're in the middle of
10 all that, you've already invested a lot of
11 money. And we know what the cost is going to
12 be in another 10, 15 or 20 years for one year
13 in a nursing home -- it's going to be in the
14 hundreds of thousands of dollars. So we'll
15 have to think about that, I guess, and see
16 what we can do about it.

17 Thank you.

18 ACTING DIRECTOR OLSEN: Thank you.

19 CHAIRWOMAN WEINSTEIN: Now I think
20 it's really thank you.

21 ACTING DIRECTOR OLSEN: All right.
22 Well, I want to thank you all again for all
23 your support for our agency and your
24 constituents back home. I really appreciate

1 it.

2 CHAIRWOMAN YOUNG: Thank you very
3 much.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 So we've reached a point in our day
6 where our commissioners have all testified.
7 And to refer back to the previous testimony,
8 so we don't all continue to age in place --

9 (Laughter.)

10 CHAIRWOMAN WEINSTEIN: We've adopted a
11 policy, and I think all the witnesses coming,
12 the remaining 20-plus witnesses are aware
13 that we have your testimony and to make sure
14 that people at the end of the list can have
15 an attentive audience and be able to be here,
16 we ask -- we'll be putting 5 minutes on the
17 clock and ask that you try and summarize your
18 testimony as best as possible, and that way
19 we'll also have opportunities to be able to
20 ask questions.

21 So we're actually going to call two
22 groups together, and they'll have 10 minutes.
23 The New York State Veterans Council: Linda
24 McKinnis, peer specialist, Disabled American

1 Veterans; Jim Ader, legislative committee,
2 Veterans of Foreign Wars. Also the New York
3 State Veterans of Foreign Wars, represented
4 by Kirby Hannan, legislative coordinator, and
5 Bob Becker, legislative chair.

6 And while they're taking their seats,
7 we've been joined by Assemblyman David
8 Weprin.

9 So just as you begin, identify
10 yourselves. And be mindful that you have to
11 share the time, so leave something for the
12 last person.

13 MR. BECKER: Is this on? Are you
14 ready?

15 CHAIRWOMAN WEINSTEIN: We're set.

16 MR. BECKER: Good afternoon, Chair,
17 and members of the Human Services Budget
18 Subcommittee. My name is Bob Becker; I'm
19 legislative chairman for the New York State
20 Council of Veteran Organizations -- we call
21 it the Vets Council -- and I would like to
22 thank you for this opportunity to bring
23 important veterans' budget programs before
24 you for consideration.

1 The Vets Council consists of more than
2 25 veteran service organizations that meet
3 monthly to discuss issues of significant
4 importance to the veterans in the State of
5 New York. The following individuals I have
6 here with me is the state commander of the
7 VFW, Mike Burke; Disabled American Veterans
8 legislative representative Linda McKinnis;
9 and legislative coordinator for the VFW,
10 Kirby Hannan.

11 Our purpose today is to ensure
12 continuance of the 2017 funding, to stress
13 the value of the continuous funding this
14 year, 2018 and 2019, to veterans' activities,
15 and to draw attention to the appreciation
16 that last year's committee appropriated and
17 redirected monies for crucial veterans'
18 programs: Veteran Service Officers, VSOs;
19 Peer-to-Peer Mentoring; Veterans Defense
20 Program; and money for mentoring within the
21 Office of Court Administration for veteran
22 treatment courts.

23 I'll let Mike here take over.

24 MR. BURKE: Yes. A special hello to

1 Senator Serino. I'm in her district.

2 As he said, my name is Michael Burke,
3 and I'm the department commander for the
4 State of New York Veterans of Foreign Wars.
5 I'm going to address the funding for our
6 veteran service officers, but before I do
7 that, I need to take you back to where we
8 were when I was coming through the system and
9 then fast-forward it.

10 Okay, this is when the regional office
11 in New York was down on 24th Street and
12 7th Avenue. When I got hurt in Vietnam, I
13 spent one week in the hospital in Vietnam, a
14 month in a hospital in Japan, and six months
15 in a hospital, the Walter Reed Medical
16 Center. When my sister passed away, I had to
17 catch a flight from Washington to New York.
18 When I got to LaGuardia, I got spit on. I
19 didn't get the memo not to wear your uniform.

20 When I started going down to the
21 regional office on 24th and 7th Avenue, it
22 was like entering a police station. We had
23 to go up to the 13th floor. When you came
24 through the doors, they had metal detectors.

1 When you went up there on the 13th floor,
2 they had numerous police officers up there.
3 That's because the counselors there did not
4 know how to take care of the Vietnam veteran.

5 And that's why after 41 years, after
6 41 years, I finally got my Agent Orange.
7 Okay? It took me 41 years to do it. There
8 was no one there to guide me. They put in
9 the wrong claim, the claim went in wrong,
10 they just -- over and over and over.

11 Our VSOs today in Buffalo and in
12 Albany, they do a heck of a job. And they
13 are needed. And they don't just do it for
14 VFW veterans, they do it for all veterans.
15 As I travel around the country -- Florida,
16 Virginia, North Carolina -- I have run into
17 veterans, and they say -- they ask me things,
18 I get into conversations with them, or a
19 parent will ask me, What can I do? I pick up
20 the phone and I call our VSOs here and
21 said -- Tommy TiDero {ph}, Marlene, John --
22 they answer the phone, I said I need a VSO
23 officer in such-and-such a place in North
24 Carolina or such-and-such a place in Florida,

1 and they get me the information right there
2 on the phone.

3 I'll get a call from these people who
4 I'm helping, thanking me for our VSO
5 officers, okay? I had my kids call me:
6 Daddy, there's a veteran here, they need some
7 help. I pick up the phone and I call our VSO
8 officers.

9 So our VSO officers are very, very
10 vital to our organization. And when they say
11 no one does more for veterans than the VFW,
12 we mean it. Okay?

13 I want to thank you for having us
14 here, and I hope we can continue being
15 funded. Thank you.

16 MS. MCKINNIS: Hello, chairs and
17 members. Thank you for listening to me.

18 My name is Linda McKinnis. I am the
19 legislative officer for the Disabled American
20 Veterans. I am the senior vice-commander of
21 my post. I am also a two-time war veteran,
22 and I am also a peer-to-peer specialist.

23 Last year I testified before this
24 committee and told you what a VSO does and

1 how peer-to-peer mentoring works at the post
2 levels and with the courts. We can go over
3 again -- at the bottom line, veterans assist
4 veterans, that must be true. They counsel
5 anonymously at the post level as veterans,
6 and sometimes seek certification as a career
7 path. But the most important ingredient is
8 the veteran-to-veteran contact.

9 Current funding for the PFC Joseph
10 Dwyer Peer-to-Peer Mentoring is directed at
11 the very important connection of veterans to
12 other veterans at the post level. As of
13 today, the Dwyer program has over 16 counties
14 from when we last met last year. And they
15 had 11, now they're up to 16. So that
16 program in itself is a very successful
17 program.

18 This is where mentoring begins. Later,
19 as counseling and mentoring progress to more
20 formal settings, such as veteran treatment
21 court, there is frequently a need for
22 additional accreditation, which is why I am a
23 peer specialist today.

24 New York State has a peer specialist

1 program, but it's not geared for veterans. I
2 can describe the course's content offered by
3 the New York State Office of Mental Health,
4 but I would also like to focus on what I
5 think is needed to make an excellent course
6 which is veteran-friendly.

7 This course should be offered by the
8 OMH for free for veterans. This course
9 should be readily available either online or
10 through a classroom setting, and veterans
11 should be considered as a pre-qualified
12 candidates for this course.

13 This will give the Office of Court
14 Administration the initial training courses
15 and serve as a pipeline for qualified mentors
16 to counsel veterans during alternative
17 sentencing.

18 As of this moment the NAMI, which is
19 the National Alliance for Mental Health, has
20 offered three classes under their
21 organizations that are geared for veterans.
22 One is called the Peer-to-Peer, one is called
23 Family-to-family, and one is called Home
24 Front. These classes basically talk about

1 mental illness for veterans, how to deal with
2 mental illness as far as the family member,
3 how to go seek out help for the veterans, and
4 all the resources that are available within
5 your county. These classes are free to
6 anyone that chooses to do so.

7 Again, as I stated, New York State
8 does have a peer specialist certification;
9 however, it's not geared to satisfy veterans.
10 We are asking that these courses kind of be
11 redirected or constructed where veterans are
12 able to take these classes to be able to get
13 on a career path so that we can be peer
14 specialists, that we can be mentors -- better
15 to our veterans, not only on a post level but
16 also in the court level or whatever level
17 that we need to be in.

18 So today I'm asking you and I'm
19 thanking you for giving us this opportunity
20 to be heard.

21 MR. HANNAN: Thanks, Linda.

22 I'm Kirby Hannan --

23 MR. BURKE: Kirby, Kirby, Kirby -- I
24 just got one more thing, please.

1 MR. HANNAN: Yeah.

2 MR. BURKE: One more thing, yeah, one
3 more thing.

4 I've heard a lot of speakers before us
5 with their testimony. We -- our Buffalo
6 office, the VSOs, which kind of goes
7 hand-in-hand with what she was talking about
8 today, our VSO offices in Buffalo, they bring
9 in \$3 million a month getting claims for our
10 veterans, which takes the burden off of the
11 State of New York. Okay? So I just wanted
12 to put that out there for you to remember
13 that.

14 And that's just in that one office,
15 \$3 million a month, we have our veterans
16 getting claims. Which takes it away from
17 your homeless program -- which, by the way,
18 that's my special project as commander, is
19 the homeless veterans. And it takes a lot of
20 other things which you may not see affecting
21 other agencies, where you have the veteran
22 not going outside the VFW for their finances.
23 Thank you.

24 MR. HANNAN: I'm Kirby Hannan, the

1 volunteer coordinator for legislation for the
2 Veterans of Foreign Wars. Some of you might
3 remember me as a lobbyist here for 45 years;
4 I'm mostly retired now.

5 But I just wanted to thank you,
6 because I'm going to say that this committee
7 last year, when we spoke to you, all I can
8 say is you listened. Because the Governor
9 started out last year with \$1 million to be
10 placed in the Office of Court Administration
11 for peer-to-peer mentoring. We didn't oppose
12 that, but we did want to know, you know,
13 where are those mentors coming from?

14 Because you've been funding the
15 peer-to-peer mentoring program at the post
16 level for a while now, and it's matriculating
17 beautifully, all right? But now, okay, the
18 court system has a need for it, and we love
19 that. Veterans' treatment courts and
20 peer-to-peer mentoring really means
21 veteran-to-veteran mentoring.

22 And so having said that, what we're
23 trying to do is take the million dollars from
24 last year, which this budget -- by the way,

1 we're not asking for more money. This budget
2 has -- it's all in there, all right? And
3 it's because of what you did.

4 You recast the language, you put it
5 into the language of veterans' treatment
6 courts, you put it into the language of
7 veteran service officers, you put it into the
8 language of peer-to-peer mentoring, so -- you
9 did it. And so then last year's budget had
10 the language in. And then, lo and behold,
11 this year's budget's got it in. So we don't
12 have to ask for more money. All right? This
13 is great.

14 And I guess where I wanted to go with
15 this is that -- two things. One, you heard
16 Linda, and she started to talk about an
17 educational process. If veterans treatment
18 court is going to be eminently successful,
19 and we want it to be, then we're going to
20 have to have educational access to mentors,
21 vet-to-vet, and I think that OCA is probably
22 going to ask for accreditation. And so, you
23 know, if they do that, which we get, then we
24 really need to go ahead and -- excuse me.

1 (Cellphone interruption.)

2 MR. HANNAN: My bad.

3 CHAIRWOMAN WEINSTEIN: We need a
4 musical interlude every so often.

5 MR. HANNAN: Sorry about that.

6 We need to make sure that we've got
7 some type of a career pathway. We want the
8 volunteer activity at the post level because
9 it's anonymous, it's like AA. It works. But
10 there needs to be a career path.

11 So having said that, I would encourage
12 you folks to look at a bill -- it's the
13 Parker-Ortiz bill, it used to be Senator
14 Larkin who had it for quite a few years.
15 Assemblyman Ortiz is a vet, he understands
16 this. It's urging OMH, OASAS, and the
17 Division of Veterans Affairs to go ahead and
18 look at how they might be able to use
19 existing resources to shape this very program
20 that Linda was talking about.

21 OMH is already light-years there, so
22 this is good. But it does need to be tweaked
23 and it needs to be something where, as Linda
24 said, it needs to be -- have access, it needs

1 to be basically more veteran-oriented and
2 not, you know, counseling-oriented.

3 And so having said that, that's my
4 message for today. I'll go a step further.
5 Jim Ader, an Afghan war vet who couldn't be
6 with us today -- you'll see his name in the
7 testimony -- he had two principal points.
8 One is that the Veterans Defense Program --
9 you're going to hear from Art Cody, so I'm
10 not going to belabor this, except to say that
11 it's the last line of defense for veterans
12 who need help beyond veterans treatment
13 court. In other words, the veterans
14 treatment court is largely misdemeanors. So
15 when we get to the felony level, you know,
16 you do need that last line of defense, and
17 that's what the Veterans Defense Program, in
18 addition to all the education they do and
19 everything else, that's what it's all about.

20 So, you know, for the last three years
21 the Legislature -- thank you again -- and
22 it's in this year's budget, has appropriated
23 \$500,000 -- both houses, 250 -- and, you
24 know, we need to keep the critical program

1 going. The money is in there, it's a line
2 item in there, what else can I say. Thank
3 you very much.

4 MR. BECKER: I'd also --

5 CHAIRWOMAN WEINSTEIN: Yes.

6 MR. BECKER: We asked for continuous
7 funding in support of veterans and veterans'
8 programs. We need it. And a timely rollout
9 of the million dollar RFP and an educational
10 track for veterans mentors to work on all
11 levels of mentoring and more funds for the
12 VSOs, Veterans Service Officers, and a
13 continuation of the Dwyer Peer-to-Peer mentor
14 program and a continued appropriation for the
15 veterans defense program.

16 We thank you very much for listening
17 to us, and if you have any questions we'd be
18 more than happy to answer them.

19 CHAIRWOMAN WEINSTEIN: We do. And
20 I -- just on behalf of all the members --
21 want to thank you for your service to our
22 country, and call upon our chair of our
23 Veterans Committee, Assemblyman DenDekker.

24 ASSEMBLYMAN DENDEKKER: Thank you.

1 Thank you very much for your service.

2 And I've told that you hundreds of times when
3 we've met before. But we're still forever in
4 your debt.

5 So I guess my first question will
6 quickly just be to Mr. Hannan. And if you
7 could just give us an idea, what was the
8 budget last year for the VSOs specifically?

9 MR. HANNAN: Well, the way it worked
10 out -- and I should have gotten into a little
11 more detail -- the way it worked out last
12 year, it was a million dollars. And \$500,000
13 of it would go towards an RFP within the
14 Division of Veterans Affairs, and another
15 \$500,000 would go directly to the Office of
16 Court Administration.

17 We didn't find out about this until
18 you had your hearing, Assemblyman.

19 ASSEMBLYMAN DENDEKKER: Right, but
20 that was when we were speaking for the
21 peer-to-peer and the treatment courts,
22 correct?

23 MR. HANNAN: Correct.

24 ASSEMBLYMAN DENDEKKER: What about the

1 veteran service officers, the VSOs?

2 MR. HANNAN: Well, that was part of
3 that language.

4 ASSEMBLYMAN DENDEKKER: Part of that
5 language.

6 MR. HANNAN: That where this committee
7 really defined veteran-to-veteran activities
8 in four basic areas: Veterans Defense
9 Program was one, treatment courts was
10 another, peer-to-peer was another, and
11 finally the veteran service officers.

12 ASSEMBLYMAN DENDEKKER: How many
13 veteran service officers are there right now?

14 MR. HANNAN: About --

15 MR. BECKER: About 20.

16 ASSEMBLYMAN DENDEKKER: Twenty in the
17 entire State of New York.

18 MR. BECKER: But we've got 800,000
19 veterans in the State of New York.

20 ASSEMBLYMAN DENDEKKER: And we have
21 estimated that these veteran service officers
22 save the State of New York, or you find
23 benefits for approximately \$3 million a
24 month.

1 MR. HANNAN: Yeah, yeah. Exactly.

2 ASSEMBLYMAN DENDEKKER: So that's
3 \$36 million a year that we're getting in
4 federal benefits for veterans that they
5 didn't know they were entitled to, and then
6 that takes the burden off the state.

7 MR. HANNAN: It does.

8 ASSEMBLYMAN DENDEKKER: So it would
9 probably, I would imagine, be in our best
10 interest to have more VSOs so that we'd be
11 able to connect veterans with the benefits
12 that they so rightly deserve.

13 MR. BURKE: Absolutely. And if you --
14 I don't know if you have the statistics, but
15 I think it may be worthwhile, since the
16 Vietnam veteran wasn't treated right when
17 they came home. A lot of these claims are
18 going to the Vietnam veteran who didn't have
19 the VSO back during that time.

20 It's like I said, the calls I get --
21 and that's what I put out there. And they
22 are very, very vital to this organization.

23 ASSEMBLYMAN DENDEKKER: And again, I
24 thank you very much. And I'll let any of my

1 other colleagues ask some questions if they
2 still have them.

3 CHAIRWOMAN YOUNG: Thank you.

4 And I'd like to join the chorus of
5 thanking each and every one of you for your
6 incredible service to our country and also
7 for your continued service to help improve
8 the lives of veterans. That's such an
9 important calling, and you do it very well.
10 And we truly appreciate when you come to
11 speak with us and give us your insights. So
12 thank you for that.

13 Our Senator Sue Serino has some
14 questions.

15 SENATOR SERINO: Good afternoon, and
16 thank you so much for coming here. And thank
17 you all for your service. Mike is part of my
18 Veterans Advisory Committee that I put
19 together and was very helpful with helping us
20 to obtain the Peer-to-Peer Program, the Dwyer
21 program, for Dutchess County. We already had
22 it in Putnam County.

23 But they're doing an amazing job, and
24 I can't stress enough for it to spread. Like

1 you said, I think it's 11 counties that have
2 it right now. It's just such a great
3 program, and it goes through our Mental
4 Health America, they do a wonderful job.

5 Mine are just more comments, not
6 questions, because I know you do a great job.
7 And I would be remiss if I didn't mention the
8 Honor Flight when I have veterans in front of
9 me, and I just always ask you -- as you know,
10 Mike -- to spread the word. Last year they
11 had three Vietnam people on the plane and out
12 of Newburgh, and it was amazing. A lot of
13 tears and cheers. Great day.

14 MR. HANNAN: The next Honor Flight is
15 for our Vietnam vets only.

16 SENATOR SERINO: Excellent. Great.
17 Thank you.

18 CHAIRWOMAN WEINSTEIN: Thank you, and
19 thank you for being here today.

20 MR. BURKE: Thank you.

21 MR. HANNAN: Thank you.

22 CHAIRWOMAN WEINSTEIN: Next we have
23 Captain Art Cody, retired U.S. Navy and
24 deputy director of the Veterans Defense

1 Program of the New York State Defenders
2 Association.

3 CAPTAIN CODY: Thank you.

4 Good afternoon. I'm Art Cody, as
5 mentioned. I'm the deputy director of the
6 Veterans Defense Program, sometimes called
7 the VDP, as was mentioned by the last group
8 of speakers. The VDP is part of the New York
9 State Defenders Association, and it's a
10 statewide organization.

11 In addition to being the deputy
12 director, I'm also a retired Navy captain. I
13 was a helicopter pilot with over 30 years of
14 service. My last tour was in Afghanistan
15 from 2011 to 2012, and I mention that because
16 while I was there, I got the opportunity to
17 really see what our troops go through and get
18 some firsthand experience of the root causes
19 of many of the maladies they face when they
20 return home.

21 I thank you for the opportunity to
22 speak today -- again, not only as a deputy
23 director but, I think more importantly, as a
24 veteran. In particular, I'd like to thank

1 the Senate and Assembly Veterans Affairs
2 Committee Chairs Senator Croci and
3 Assemblyman DenDekker for their instrumental
4 support of the VDP for the last three years.
5 They have sponsored a legislative add in the
6 Executive Budget of \$500,000 for the VDP.

7 The state funding for the VDP has
8 allowed us to help hundreds of our wounded
9 warriors suffering from the mental health
10 conditions -- commonly posttraumatic stress
11 disorder, traumatic brain injury. It helped
12 them to obtain treatment. And I'd like to
13 briefly give you an update of how we used the
14 state's money during 2017.

15 During that year we assisted
16 228 justice-involved veterans. We trained
17 577 public defense attorneys and provided
18 mentoring to 203 veterans and their families.
19 In many of these cases our veteran clients
20 received treatment and probation and avoided
21 incarceration.

22 And I think, as it was pointed out
23 before, most of this treatment, the vast,
24 vast majority of this treatment comes from

1 the VA. And that's important for a couple of
2 reasons. One, the VA is specifically
3 designed to help our combat veterans to
4 understand the posttraumatic issues that
5 they're going through and also, from a fiscal
6 point of view, is at no cost to the State of
7 New York.

8 In the past two years we have helped
9 veterans be diverted into treatment and
10 probation, avoiding at its maximum 518 years
11 of incarceration. Now, that's a savings to
12 the State of New York of somewhere in the
13 neighborhood of \$31 million, to take veterans
14 out of prison, put them in treatment, and the
15 way we like to think about it is bring them
16 all the way home.

17 I'm here today to ask you for your
18 support for a legislative add to the
19 Executive Budget of about \$500,000 for the
20 VDP. Our budget request is supported by over
21 70 veteran, mental health, and public defense
22 organizations, many of whom you just heard
23 speak.

24 This year we also have two regional

1 strategic budget extension needs. We are
2 inundated with requests for help,
3 particularly in the Southern Tier region,
4 which includes the 14 counties along the
5 Pennsylvania border from Chautauqua to
6 Delaware, and on Long Island as well.

7 We are hopeful that the Southern Tier
8 Senators will consider sponsoring a
9 \$182,000 add to hire an attorney and a case
10 manager, and Long Island Senators consider
11 adding \$220,000 to open a Long Island VDP
12 office with an attorney and case manager.

13 Our proposed work plan there will
14 include substantial assistance to over
15 40 Southern Tier justice-involved veterans,
16 and 40 on Long Island as well. By the second
17 year, we expect those attorneys will be
18 trained up and will be able to do over
19 80 cases per attorney assisting veterans. In
20 addition to that, mentoring support and
21 expert referrals will be provided.

22 Lastly, on that note, we will also
23 develop a veterans criminal justice practice
24 manual, a very hands-on, nuts-and-bolts

1 approach to representing veterans.

2 Literally, how does one get DD214 discharge
3 papers? How do you read what those papers
4 mean?

5 I think, importantly, and just to give
6 you in a nutshell what the VDP does, our big
7 job really is to translate what this veteran
8 went through. To tell this veteran's story.
9 As you may know, only about 7 percent of the
10 population of the United States are veterans.
11 And having been a reservist -- that is,
12 having a foot in kind of both camps -- I can
13 tell you the cultures are very different.
14 And sometimes what is -- the skills that we
15 teach our soldiers, our marines in
16 Afghanistan, in Iraq, don't necessarily play
17 out that well in the United States.

18 So part of our mission is to help the
19 DAs, help judges, help them understand why it
20 is that this veteran is in this particular
21 situation, and tell the whole story about
22 that veteran. Because I think our experience
23 has been when we're able to do that, we can
24 bring about a sea change for that veteran's

1 life.

2 While it is important to acknowledge
3 that some of the offenses our veterans are
4 charged with are serious -- certainly there
5 are weapons charges issues, there are driving
6 under the influence issues. But that's not
7 the whole story. And what we want to do is
8 change the narrative to not just one about
9 the crime, but to one about the entirety of
10 these veterans' experience. How did this
11 veteran come to this place? To explain to a
12 district attorney or to a judge, when we say
13 someone is an 11B, an infantryman, okay, what
14 does an infantryman do? The guy -- combat
15 action vet, what does that mean? They were
16 in Kandahar, what does that mean? They were
17 in Anbar Province in Iraq in 2006, what was
18 that experience like? To help that judge, to
19 help that prosecutor understand what that
20 veteran went through.

21 And what we have found when we're able
22 to do that, we're able to bring about a sea
23 change. Literally our cases commonly go on a
24 Monday, the offer will be at the low end. It

1 will be 3.5 years of a potential 3.5 to
2 15-year C-class felony. But once that
3 mitigation memorandum is read, the mitigation
4 that we produce, once that district
5 attorney and that judge understand how this
6 veteran came to be in this place, the
7 conversation turns not from one of how many
8 years, but how do we get this veteran into
9 treatment, how do we get this veteran into
10 VA, how can we bring this veteran all the way
11 home.

12 I appreciate the help that this
13 committee and members of this committee have
14 given to us in the past, and I ask you to
15 continue your support this year because I
16 think not only do we provide a cost savings,
17 but in many, many cases we provide a life
18 savings.

19 I'm happy to take any questions you
20 may have.

21 CHAIRWOMAN WEINSTEIN: Yes, thank you.

22 And Assemblyman DenDekker.

23 ASSEMBLYMAN DENDEKKER: Thank you,
24 Madam Chair.

1 Thank you, Captain Cody. And on
2 behalf of Senator Croci, who I know isn't
3 here -- he couldn't make it today, but he
4 also appreciates all the service you've
5 given.

6 So the ask today is to maintain the
7 add of \$500,000 and possibly look for an
8 increase of \$182,000 from the Southern Tier
9 members that may want to be able to help to
10 get an attorney over in that area, and then
11 for Long Island members to maybe look for the
12 \$220,000 to get an attorney out to help the
13 Long Island area in these veteran support
14 situations.

15 CAPTAIN CODY: Certainly a renewal of
16 the 250/250.

17 But also what we have found -- and a
18 lot of that is due to our training. When we
19 go out and do trainings, it's very, very
20 common -- I think we discussed this the last
21 time you and were together in this room --
22 it's very common at the end of that training.
23 We expect and indeed we encourage it. When
24 we have taught the fundamentals, the basics

1 of this is the discharge papers, these are
2 the kind of questions, when asked, this is
3 what you want to find out -- very, very
4 commonly an attorney or -- not just an
5 attorney, sometimes literally moms and dads
6 will call us, the individual veteran will
7 call us. The requests come from all over.
8 Literally from all over.

9 And we will never -- and as I
10 mentioned the last time I was here, we will
11 never turn a vet down.

12 However, the amount of requests we're
13 getting, we're now at the point where we can
14 no longer profile the amount of training that
15 we'd really like to provide to each veteran.
16 To understand what that veteran went through,
17 to reach out, to get those forms records, to
18 interpret those forms records, to reach out
19 to that chain of command, to get the
20 affidavits that talk about what this veteran
21 went through -- because many times veterans
22 can't talk about it themselves -- and be able
23 to present that to a court takes an awful lot
24 of effort.

1 So to get to your point, yes, we'd
2 like a renewal of the previous budget numbers
3 as well as, because of this expanded demand,
4 additional funding for both the Southern Tier
5 as well as Long Island.

6 ASSEMBLYMAN DENDEKKER: We only have a
7 few minutes left, and I don't know if anyone
8 else has any questions, but if you can --
9 there's one particular story, one particular
10 case that you had worked on and you shared
11 with me, and I'd really like to see if you
12 could quickly tell that incident that
13 happened with the gentleman with the weapon
14 in the trunk.

15 CAPTAIN CODY: Yes.

16 ASSEMBLYMAN DENDEKKER: It's just a
17 powerful message, so my colleagues can
18 understand what exactly we're talking about
19 and the challenges of the people who are out
20 there.

21 CAPTAIN CODY: Certainly, and I think
22 for us that's a very archetypical case.

23 We were dealing with a veteran, and
24 this was in Queens, and when we got involved

1 in the case it was nearing -- it was just
2 about to start trial. This particular
3 veteran had served in a base called the
4 Detainee Facility in Parwan, which I suppose
5 is the government's euphemism for the Taliban
6 prison, right outside of the huge air base in
7 Afghanistan, Bagram.

8 And this veteran -- and it's very
9 typical of our clients -- I expected, when I
10 first came on, to see a lot of what I think
11 of as the hard-core active duty -- active
12 duty 101st Airborne, 82nd Airborne, Third
13 Marine Division. But who we see more than
14 anybody else is New York Army National Guard.

15 And I think there's a couple reasons
16 for that. One, I think when soldiers who are
17 active duty come home, they may not love
18 their first sergeant or their platoon leader
19 or their platoon sergeant, but that person's
20 still there. When our National Guardsmen
21 come home, often they go back to their towns,
22 which may be a hundred miles away from base
23 and a hundred miles away from that first
24 sergeant who looked over them while they were

1 in Kandahar, Kunduz, or whatever province.

2 So they have a tendency, while they're
3 trying to get back into society -- they don't
4 have the support system. And that's what was
5 happening with this -- with the soldier that
6 Assemblyman DenDekker is talking about. He
7 was Army National Guard, came back, is
8 wrestling with a lot of what happened to him
9 over in Afghanistan -- literally, his job was
10 a medic. He was ministering, if you will, to
11 Taliban prisoners behind three locked gates
12 with no armed guards. So he's literally --
13 people who we just pulled off the battlefield
14 because they want to kill Americans, that's
15 who he's with. That's who he's with eight to
16 ten hours a day.

17 He serves two months in that capacity,
18 he comes back, after that he gets transferred
19 back to Kandahar. Kandahar's not normally
20 considered the best place to be transferred
21 to, but coming from Bagram it was. So
22 anyways, he comes back to Kandahar, there
23 he's working in a facility where literally
24 he's seeing soldiers, civilians, et cetera,

1 shot up every day. One of the soldiers he
2 administered to or he worked on in July was
3 killed in August. And so he's seeing all
4 that.

5 He comes home and literally, from the
6 day he is discharged from the Army, the VA
7 gives a hundred percent PTSD rating. He
8 could not have gotten a higher rating. So
9 he's still dealing with this, he gets himself
10 into treatment, but he still -- he becomes
11 suicidal.

12 So he's carrying around a weapon, as
13 some of the men are taught that -- he's
14 carrying around a weapon in the back of his
15 car, okay? Because he decides he may reach a
16 point where he wants to kill himself. He
17 gets pulled over, the car gets searched. So
18 then literally where he's at is criminal
19 possession of a weapon second. He's
20 potentially looking at 3.5 to 15 years. And
21 that's the offer on the table when we get
22 involved.

23 We're able to sit down, talk with that
24 veteran, reach out to his chain of command in

1 the Army National Guard, gather those
2 affidavits, gather that memorandum, and
3 explain his DD214, explain the treatment he's
4 undergoing in the VA. And literally on
5 Monday the offer is 3.5 years, on Wednesday
6 the judge asked the prosecutors is that --
7 no, not the prosecutors. I think they're
8 trying to do the right thing, they just
9 didn't understand this guy's circumstances.

10 By Wednesday, the judge from the bench
11 says: Is this the message you want to send
12 to the community that guards our country? By
13 Friday, the message is: I know we were
14 talking about 3.5 years, but what I really
15 meant to say was probation.

16 This veteran has since completed --
17 this veteran ended up getting on probation,
18 getting treatment from the VA, now he is
19 finishing his master's degree, I think at
20 Marist. He's going to become a history --
21 he's going to become a history teacher. And
22 his life turned out different.

23 If we don't get involved, does that
24 happen? Probably not. And that's why I say,

1 you know, it certainly is a cost savings,
2 absolutely. But is it a life savings for
3 people who deserve to have their lives
4 restored? Absolutely.

5 ASSEMBLYMAN DENDEKKER: So I just
6 think what I also want to stress is so when
7 the police officer pulls over this veteran
8 and finds the weapon, he had no idea at the
9 time -- not that he was even thinking of
10 this, and neither does anyone in the court
11 system. All they know is they pulled over a
12 car, there's a weapon in the trunk -- boom,
13 arrest, boom -- we're going to go into court,
14 3.5 to 15. And normally you wouldn't have --
15 and probably the veteran said nothing that he
16 was going to trial until you got involved,
17 where you found out what the purpose of the
18 weapon was --

19 CAPTAIN CODY: Absolutely.

20 ASSEMBLYMAN DENDEKKER: And that he
21 was contemplating to kill himself and not to
22 hurt anybody else or rob anybody else with
23 the weapon.

24 CAPTAIN CODY: And part of it is,

1 fortunately for us -- and I should point out,
2 I think we talked about this the last time
3 you and I were together in this room -- we're
4 doing this currently with two attorneys. The
5 entire state.

6 Which, you know -- so we really do try
7 to maximize the \$500,000. But your point is
8 well taken, because in many cases, you know,
9 certainly the crime meets the elements of
10 criminal possession of weapon second.

11 And I think in many cases the DA may
12 think, hey, I'm giving this guy a break. I
13 understand he's a veteran, and I'm going to
14 try to do the right thing. But the right
15 thing in their mind is 3.5. But we try to --
16 no, no, let's change the narrative. This
17 isn't about incarceration, because
18 incarceration is probably not the right
19 answer here. What the right answer is here
20 is treatment, and let's bring this vet all
21 the way back.

22 ASSEMBLYMAN DENDEKKER: I just want to
23 thank you so much for everything you do,
24 Captain Cody. And I don't know if any of my

1 other colleagues have any questions, but
2 thanks again.

3 CAPTAIN CODY: Thank you.

4 CHAIRWOMAN YOUNG: Thank you.

5 I too want to thank you, and also I
6 had a question about part of your testimony.

7 You talked about the fact that in the
8 14 Southern Tier counties there's quite an
9 issue. Is it because we have a higher
10 density of veterans, or is it because there
11 are lack of services, or is it both?

12 CAPTAIN CODY: More both. You have a
13 high density of veterans. The population
14 itself -- it's not Manhattan.

15 CHAIRWOMAN YOUNG: I know that.

16 CAPTAIN CODY: However -- but the
17 density's high, okay? And I think that what
18 you see is the -- it is somewhat untapped, if
19 you will, in terms of the number of veterans
20 who are there who are not receiving the
21 services. And it is an area where, if we
22 were to go in, I'm firmly of the belief you
23 will see the same kind of things that we've
24 been able to do in -- certainly in the Hudson

1 Valley, in Queens, in Long Island. You'll
2 see the same kind of results, the same kind
3 of cost savings, you'll see the same kind of
4 life savings in the Southern Tier.

5 CHAIRWOMAN YOUNG: Okay, thank you.

6 Anyone else?

7 CHAIRWOMAN WEINSTEIN: No.

8 Thank you for being here.

9 CAPTAIN CODY: Thank you.

10 CHAIRWOMAN WEINSTEIN: Next we have
11 Empire Justice Center, Susan Antos, senior
12 attorney.

13 MS. ANTOS: I'll be brief. I'll be
14 brief, I promise.

15 Good afternoon.

16 CHAIRWOMAN WEINSTEIN: Good afternoon.

17 CHAIRWOMAN YOUNG: Good afternoon.

18 MS. ANTOS: Thank you so much --

19 CHAIRWOMAN WEINSTEIN: Just keep an
20 eye on the clock.

21 MS. ANTOS: I will. Thank you.

22 CHAIRWOMAN WEINSTEIN: Okay. Thank
23 you.

24 MS. ANTOS: I'm here representing the

1 Empire Justice Center. We're a
2 not-for-profit legal services organization
3 with offices in Rochester, Albany, Central
4 Islip, Long Island, and Westchester County.
5 We're a multi-issue organization. And as you
6 can see from our testimony, we are
7 highlighting seven different areas which I'm
8 just going to briefly touch on because I know
9 I don't have much time. So mostly I'm just
10 going to give you bullet points, and a couple
11 I want to go into a little more depth.

12 We're asking that you restore \$200,000
13 to the Managed Care Consumer Assistance
14 Program, MCAP, which provides seniors and
15 people with disabilities critical assistance
16 in navigating the Medicare system. This
17 would restore it to its level in 2008 and
18 2009. The details of why we so strongly
19 support this program are in our testimony.

20 We're also asking you to restore the
21 Disability Advocacy Program funding over the
22 Governor's budget to an additional \$3 million
23 over -- let's see if I got this right --
24 \$3 million on top of the \$5.26 million which

1 was proposed in the Executive Budget. That
2 would bring statewide funding to
3 \$8.26 million.

4 The Disability Advocacy Program is
5 actually a money maker for the state. We
6 take people off of public assistance
7 benefits -- and these are people who are
8 disabled -- and put them into the SSI or
9 sometimes Social Security system where the
10 benefits are higher, their lives are more
11 stable, and the funding for their benefits
12 are paid for with federal, not state,
13 dollars.

14 I also want to say a few words about
15 the Home Stability Support program.
16 Homelessness in this country has decreased
17 about 10 percent nationwide. In New York
18 State, it has increased 36 percent over the
19 last couple of years. There are 150,000
20 homeless children in New York State, and the
21 statistics are staggering.

22 Part of the problem is that our public
23 assistance benefits are so low that housing
24 for low-income families is not affordable.

1 In the County of Albany, the shelter grant is
2 \$306 -- \$306 for a family of three. I don't
3 know if any of you have looked at the rental
4 market, but there's nothing you can afford
5 for \$306.

6 Families become homeless. When we
7 know, from looking at federal health and
8 Human Services data, that the fair market
9 rent for homes in the City of Albany are
10 about \$1,200 a month and -- I'm sorry, \$1,000
11 a month. But the cost of housing a family in
12 a homeless shelter is double to triple that.

13 So it almost is a no-brainer to invest
14 in a program that is going to help families
15 maintain their housing, keep children stable
16 in their schools, keep children stable in
17 their families, and not lead to homelessness.

18 So we are urging the Legislature to
19 invest \$40 million in the Home Stability
20 Support program, to create a new statewide
21 rent supplement program for families and
22 individuals facing eviction, homelessness, or
23 loss of housing due to domestic violence --
24 and I want to point out that domestic

1 violence is an increasing cause of
2 homelessness in this state.

3 Since I have less than a minute, I'm
4 going to jump over to my last impassioned --
5 my last passion is childcare assistance. We
6 are asking that the Legislature invest
7 \$100 million in childcare assistance.
8 Childcare is a cornerstone of people being
9 able to maintain employment.

10 We were glad to see that the Governor
11 restored the \$7 million cut from last year,
12 but more needs to be done. Families -- and
13 if you look at page 10 of our testimony,
14 counties have lowered eligibility to
15 unconscionable levels. There are other
16 counties who say they are at 200 percent of
17 poverty, but they have closed intake. They
18 don't take applications.

19 Families who cannot afford childcare
20 either can't keep their jobs or they put
21 their families in places that are not safe.
22 Childcare has to be affordable. If you look
23 at the chart on page 12 of our testimony,
24 you'll see that there are only six counties

1 in which families pay less than -- 7 percent
2 or less of their income as their copayment.
3 That's the federally recommended amount.

4 You can see that in the majority of
5 counties, families pay between 15 and
6 17.5 percent of their gross income for their
7 childcare copayments. That's their
8 copayment. And they can't afford then to
9 keep their children in high-quality
10 childcare.

11 Just one last thing; I know my time is
12 up. I urge you to look again at
13 Assemblymember Titus' bill, Assembly 4662,
14 which would require districts that do not
15 have enough money to provide childcare for
16 all working families to prioritize their
17 funds by not putting public assistance
18 families in make-work programs but instead
19 using childcare dollars for families who need
20 childcare and have jobs but are on a waiting
21 list or can't get childcare.

22 CHAIRWOMAN WEINSTEIN: Thank you, and
23 we're going to go to Assemblyman Hevesi.

24 ASSEMBLYMAN HEVESI: Hi, Susan.

1 MS. ANTOS: Hello.

2 ASSEMBLYMAN HEVESI: I'm just going
3 to -- first of all, you're right on
4 everything.

5 MS. ANTOS: What?

6 ASSEMBLYMAN HEVESI: You're right on
7 everything.

8 MS. ANTOS: Oh, thank you.

9 ASSEMBLYMAN HEVESI: Thank you -- no,
10 thank you. Because if you're not right, I'm
11 not right, and that's a big problem. So
12 you're right on everything.

13 I just want to say thank you to you
14 and also to Kristin, to you and Decima {ph},
15 and I miss Ray -- but you guys are doing
16 great --

17 MS. ANTOS: We miss Ray too.

18 ASSEMBLYMAN HEVESI: I know, he's the
19 best.

20 Thank you for your guidance and
21 friendship. You guys are doing great work,
22 and I appreciate it. Thank you.

23 MS. ANTOS: Thank you.

24 CHAIRWOMAN WEINSTEIN: Anybody on the

1 Senate side?

2 CHAIRWOMAN YOUNG: I don't -- oh,
3 okay. Senator Savino says you're right, so
4 we're done.

5 MS. ANTOS: Thank you.

6 CHAIRWOMAN WEINSTEIN: Thank you, and
7 thank you for all your help over the years.

8 MS. ANTOS: Thank you.

9 CHAIRWOMAN WEINSTEIN: Next we have
10 Christine Sadowski, policy chair, YWCAs of
11 New York State.

12 MS. SADOWSKI: Good afternoon.

13 CHAIRWOMAN WEINSTEIN: Good afternoon.

14 MS. SADOWSKI: Thank you so much for
15 your time and particularly for your
16 perseverance in listening to all of us talk
17 to you and ask you for things.

18 I am here on behalf of 16 YWCAs
19 throughout New York State, and we are
20 thrilled that while we have been working
21 together collaboratively for decades, if not
22 generations, we're thrilled that this year we
23 have been able to officially incorporate,
24 which means that we've been able to kind of

1 formalize the work that we've done together.

2 YWCAs share a mission, both nationally
3 and across the state, of empowering women,
4 eliminating racism, and promoting peace,
5 justice, freedom, and dignity for all. And
6 one of the two kind of hallmark programs that
7 all of us look at are economic empowerment,
8 particularly working with single moms or
9 female-headed households. This is the
10 population that makes up 90 percent of our
11 constituency and our program participants,
12 whether we are doing housing, providing DV
13 services, childcare -- including both young
14 children as well as after-school -- and
15 workforce development.

16 And one of the things that we have
17 been working on pretty aggressively for at
18 least five years or more is the issue of
19 workforce development, specifically for this
20 population, and workforce training programs
21 for this population. Because what we find is
22 that while there are many good workforce
23 development training programs out there,
24 they're not effective with this particular

1 constituency.

2 And that has lots of reasons, but one
3 of the things that we're most focused on are
4 the fact that many of these women are trying
5 to move forward with their workforce goals
6 and at the same time dealing with a lot of
7 other issues -- whether that be leaving a DV
8 situation, whether that is mental health or
9 substance abuse, whether that is housing
10 instability -- and YWCAs specialize in
11 providing multiple programming to get women
12 moving towards economic self-sufficiency.

13 So what I'm here to ask you for today
14 is to consider carefully and to please join
15 us in carving out a piece of the \$175 million
16 in workforce funding specifically for this
17 population. Because we know that it is only
18 with long-term, targeted -- both workforce as
19 well as wrap-around services -- that we'll be
20 able to truly get a woman who is trying to
21 raise her kids and reach economic
22 independence really to make that goal and be
23 able to live on her own and get off of any
24 services that she may be receiving.

1 So in the past we have been able to
2 have some good conversations with the
3 Governor's office about this, as well as many
4 legislators. And we just really hope that
5 this year will be the year that we can make
6 sure we carve out attention to this group,
7 because it is too often that they are lost in
8 the larger workforce programming, and then
9 we're not able to have the resources to move
10 forward in a way that is successful.

11 Thank you. I'll take any questions.

12 CHAIRWOMAN WEINSTEIN: Any questions?

13 Senator Velmanette Montgomery.

14 SENATOR MONTGOMERY: Well, just
15 very -- hi. I know some of the Y's also
16 sponsor YouthBuild.

17 MS. SADOWSKI: They do.

18 SENATOR MONTGOMERY: I believe --

19 MS. SADOWSKI: Not as many in New York
20 as around the rest of the country.

21 SENATOR MONTGOMERY: So -- okay --

22 MS. SADOWSKI: But certainly we work
23 with young kids too. Particularly kids of
24 color and from underserved communities.

1 SENATOR MONTGOMERY: Yes, and of
2 course my office is in a Y in Brooklyn --

3 MS. SADOWSKI: Mm-hmm.

4 SENATOR MONTGOMERY: And the question
5 that I have is, what about young women in
6 particular? And what strategy are you
7 looking at specifically?

8 MS. SADOWSKI: Well, I think when you
9 talk about young women who are also facing
10 multiple issues like I'm referring to, I
11 don't think it matters if they're working
12 moms yet or not. The attention is still the
13 same. And that's the reality that for the --
14 again, the population we serve, these women
15 are facing a myriad of issues and they need a
16 very holistic approach.

17 So I think probably the shortest
18 answer to you is that we are looking to make
19 sure that we can get them multiple services
20 at the same time, or else they're not able to
21 sustain work. And what happens in a
22 traditional workforce program is that we
23 measure it by gaining employment -- which is
24 wonderful, and I understand that goal -- but

1 we don't necessarily look at how long that
2 employment is sustained and how much it
3 really has increased their household income.

4 Whether they're single heads of
5 households or they're on their own, we've got
6 to be able to sustain employment, to teach
7 skills to overcome barriers to sustained
8 employment so that for many future years they
9 really are economically self-sufficient.

10 SENATOR MONTGOMERY: Thank you.

11 CHAIRWOMAN YOUNG: Thank you.

12 CHAIRWOMAN WEINSTEIN: Thank you.

13 Thank you for being here today.

14 Next we have Shelly Nortz, deputy
15 executive director, Coalition for the
16 Homeless.

17 And just for the people who are in the
18 back of the room, the next few people up is
19 United Neighborhood Houses, Schuyler Center
20 for Analysis, Families Together in New York
21 State, and then the Association on Aging in
22 New York. People might want to move down if
23 you're any of those groups.

24 Thank you.

1 MS. NORTZ: Thank you. And
2 congratulations, Chair Weinstein, on your
3 appointment.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 MS. NORTZ: I'm going to summarize my
6 testimony.

7 All of you spent a good deal of time
8 yesterday and today talking about the issue
9 of homelessness, and we're grateful for the
10 attention that you're paying to it. We do
11 want to recognize that there are a couple of
12 good bits of news in the last year, the most
13 important of which is that these bodies
14 approved and released the first billion
15 dollars for supportive housing, with last
16 year's budget for the first 6,000 units of
17 the state housing to be built.

18 But as you point out, it took us three
19 years to get there, and now we're behind the
20 eight-ball. So the idea of accelerating the
21 production schedule, and getting the rest of
22 the 14,000 units to make the full 20,000
23 commitment that the Governor made, I think is
24 vitally important over the next year or two.

1 Secondly, we settled a very important
2 federal class action lawsuit called Butler
3 vs. The City of New York with our colleagues
4 at the Legal Aid Society and the Center for
5 Independence of the Disabled in New York and
6 White & Case -- which, over the next five
7 years, will result in a thorough planning
8 process and major changes to the New York
9 City shelter system to better accommodate
10 people with disabilities. Long overdue.

11 Unfortunately, we again had record
12 homelessness in New York City in 2017 -- as
13 you heard, over 63,000 men, women, and
14 children staying each night in the shelters.
15 More people than ever before turned to the
16 shelter system in New York City, 130,000 of
17 them in 2017. Most homeless people in the
18 New York City shelters are members of
19 families, including 23,700 children.

20 But the number of single adults in the
21 shelters actually approached and then
22 exceeded 16,000 men and women for the first
23 time ever back in December. The average
24 length of stay for all household compositions

1 now exceed 12 months in the New York City
2 shelters -- we've never seen that before --
3 for two years in a row now.

4 And the percentage of single adults
5 receiving supportive housing placements in
6 2017 fell to a 12-year low, fewer than four
7 in 100. And as you know, the reason we did
8 the supportive housing investment is because
9 supportive housing is a solution and the most
10 proven solution to address homelessness,
11 particularly for the single adult men and
12 women population in New York.

13 Unfortunately, political disputes
14 delayed the agreement to release those funds.
15 And this obviously contributes to a greater
16 demand for shelter and record homelessness.
17 If we're not moving people out of the
18 shelters, the sense is it's going to continue
19 to rise. And so we need all hands on deck to
20 begin to really bring all of the solutions to
21 scale.

22 We also have, contributing to greater
23 shelter demands, steeply rising rents, kind
24 of faster than usual; stagnant wages; as

1 Susan mentioned, domestic violence -- a very,
2 very prominent cause of displacement right
3 now -- and also substantial discharges from
4 hospitals and nursing homes. And as
5 Senator Krueger mentioned, that's partly a
6 result of shifts in how that industry is
7 operating. And also the pressures that
8 should not be dismissed from how Medicaid
9 reform is working in New York. The metrics
10 that have been chosen are good metrics, but
11 hospitals discharging lots of people to
12 homeless shelters is not exactly a great
13 solution.

14 New York State continues to shift the
15 cost of sheltering and housing homeless
16 New Yorkers to localities, including New York
17 City. As was mentioned earlier, I will just
18 say that the answer to the question that was
19 posed to Ms. Guinn earlier was incomplete.
20 The state is reimbursing the cost of
21 sheltering homeless families, she says
22 fully -- to the extent that they are in
23 receipt of TANF.

24 But the process of the TANF block

1 grant is that families are only eligible for
2 five years, and at the end of five years they
3 are shifted to the safety net caseload, which
4 is 71 percent local share, 29 percent state
5 share. Hence the metric that Senator Krueger
6 mentioned, that 5 percent of the growth in
7 New York City shelter costs, which grew by
8 \$698 million, was borne by the state; the
9 rest was borne by the City of New York -- and
10 the federal block grant was not borne by the
11 state.

12 These cost shifts have also affected
13 the localities. I know Assemblyman Hevesi is
14 well aware of that, having talked to the
15 counties. And our budget maintains a status
16 quo. We have no new supportive housing
17 investments, notwithstanding the fact that
18 it's going to cost more to build them later
19 than it would cost to build them now and, as
20 Senator Krueger mentioned, there are projects
21 ready to go in the pipeline.

22 The fiscal penalty that Senator Young
23 mentioned earlier we think is extremely
24 ill-advised. We see no reason to take public

1 assistance benefit dollars away from
2 localities when the state isn't even funding
3 homeless outreach efforts. That just seems
4 rather preposterous and one more example of
5 the state shirking its responsibility.

6 CHAIRWOMAN WEINSTEIN: Can you just
7 conclude?

8 MS. NORTZ: Yes, ma'am. I apologize.
9 I will leave the rest of our budget
10 recommendations for your review.

11 But I would say there is one thing
12 that we need in the realm of solutions that
13 we haven't talked about before, and that is a
14 way of regulating this thing that is evolving
15 called medical respite. And it is a place
16 for people to be when they're getting out of
17 hospitals and nursing homes but aren't
18 appropriate for shelters.

19 And it's not regulated in New York
20 right now, but it's happening and it needs to
21 be regulated. Otherwise we're going to have
22 unregulated nursing homes for homeless
23 people.

24 CHAIRWOMAN WEINSTEIN: Assemblyman

1 Hevesi for a question.

2 ASSEMBLYMAN HEVESI: I will be brief.

3 Shelly, just thank you for everything
4 you do, taking me under your wing and
5 teaching me about the stuff -- not only how
6 bad it is. And I'm going to encourage not
7 just my colleagues here but all of my
8 colleagues to really read through this and
9 get a sense of the numbers and the magnitude.
10 Because I feel like, you know, I say it
11 constantly, it's the worst since the Great
12 Depression. But that doesn't grab it as
13 well.

14 And also the state response. The
15 state response has been to walk away. It's
16 the county's problem, it's the city's
17 problem, it's everybody else's problem -- the
18 state has walked away from this problem.

19 So thank you for illuminating what a
20 crisis we really are in, and I appreciate it.
21 Thanks.

22 MS. NORTZ: And thank you for the Home
23 Stability Support proposal, because that has
24 the power to help solve a big part of this

1 problem.

2 ASSEMBLYMAN HEVESI: Thank you,
3 Shelly.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 MS. NORTZ: Thank you very much.

6 CHAIRWOMAN WEINSTEIN: United
7 Neighborhood Houses, Kevin Douglas,
8 co-director for New York State policy and
9 advocacy.

10 MR. DOUGLAS: Good afternoon. Thank
11 you, Chair Weinstein and Chair Young and
12 members of the Senate and the Assembly. I
13 appreciate the opportunity to testify this
14 afternoon.

15 My name is Kevin Douglas, and I'm
16 co-director of policy and advocacy with
17 United Neighborhood Houses of New York. We
18 are an association of settlement houses. We
19 have 38 members serving 750,000 New Yorkers
20 every year across the five boroughs of
21 New York City. We also have partners working
22 in Syracuse, Rochester, Albany, and Buffalo
23 to provide similar services.

24 Before I talk about the asks, I just

1 want to talk about our model a little bit so
2 you understand the variety of programmatic
3 areas that I want to present to you.

4 The idea of a settlement house is that
5 it's a multiservice, multigenerational
6 neighborhood-based facility where someone can
7 walk in and receive any of the services they
8 need. So for instance -- for example, this
9 morning we heard from four different
10 government agencies. We might have a woman
11 walk into one of our settlement houses and
12 enroll her mother in a home-delivered meals
13 program that's funded by SOFA and put her son
14 in the Summer Youth Employment program funded
15 by OTDA and put her daughter in an early
16 childhood program funded by OCFS and put her
17 cousin in a job training program funded
18 through DOL.

19 The whole idea of the settlement house
20 model is that someone walks in, they get any
21 service or support that they need. So the
22 variety of programmatic areas in the state
23 budget that is important to our network is
24 tremendous and across the board.

1 I just want to mention a couple of
2 things that are not in my testimony, just
3 very quickly, that we strongly support and
4 ask for your support as you're negotiating
5 the budget.

6 Many of the people who go through our
7 programs have educational challenges, and so
8 we would strongly urge you to support
9 proposals in the budget to extend tuition
10 assistance to young undocumented learners as
11 well as restore funding for adult literacy
12 education. Those are both important
13 components of community-based human services.

14 We also strongly support the Home
15 Stability Support proposal, which would help
16 make housing more affordable for New Yorkers
17 who go to our settlement houses.

18 And finally, because many of the
19 individuals we serve deal with the tipped
20 wage issue, they're working hard and coming
21 to our programs for services, they have
22 challenges getting to the polls on Election
23 Day, and so we certainly support early voting
24 and hope you work with the Governor to

1 support the funding for that proposal.

2 In terms of the state budget for the
3 agencies that were here before you today, we
4 do have a few priorities. In the Children
5 and Youth section we appreciate that the
6 Governor restored \$7 million for the
7 Childhood program, but as you know, that's a
8 restoration of a cut and didn't actually
9 expand access. We would echo the Empire
10 Justice Center and push for \$100 million for
11 early childhood education.

12 For the Child Care Block Grant, we're
13 specifically asking for \$24 million beyond
14 the Executive Budget, which would really help
15 us keep pace with inflation relative to
16 investments from a few years ago.

17 We also heard the REDC mentioned
18 several times today. The Governor is very
19 interested in putting lots of money into that
20 at the expense of other program areas, many
21 of which we heard about today. So we
22 definitely support the use of creative
23 reallocation of economic development funding
24 to support the workers doing that economic

1 development and make sure there's childcare
2 for their children.

3 Similarly, after-school is an
4 important support for a parent as well as the
5 youth, and we're very glad again that the
6 Governor is proposing to expand the Empire
7 After-School Program. At the same time,
8 somewhat curiously, he has proposed reducing
9 the Advantage After-School Program, pulling
10 back the legislative add that this body had
11 made. And that really is problematic,
12 because although there's a net increase in
13 funding, if you compare those streams -- as
14 you know, the Empire State After-School
15 Program is not available in all counties, and
16 many jurisdictions throughout the city would
17 not be eligible for after-school there, so
18 it's important to retain support for
19 Advantage.

20 Moving on to SOFA, I was very
21 interested that we got as far as we did
22 before talking about NORCs, naturally
23 occurring retirement communities. We were
24 very disappointed with the way this has

1 played out over the last year. We
2 appreciated that an additional \$2 million had
3 been put in to support this important service
4 which keeps older adults healthy and aging
5 with dignity in their homes. We saw that
6 that \$2 million was not renewed in the
7 Executive proposal, and we would ask that
8 this body restore that.

9 But more importantly, we're also
10 asking for a \$1 million enhancement to begin
11 doing some pilot programs in other regions of
12 the state that weren't able to expand
13 programs in this last round of the RFA that
14 had been put out and then pulled back.

15 As I come to the closing part of my
16 testimony here, I talked a little bit earlier
17 about the sort of neighborhood-based,
18 multiservice, multigenerational approach of
19 settlement houses. And one of the things
20 that we really are grateful to this body for
21 is their support of the Settlement House
22 Program. This is flexible funding that goes
23 to settlement houses around the state to fill
24 the gaps.

1 So we know that state funding is very
2 categorical. We had four state agencies here
3 today that have dozens of divisions, dozens
4 of programs, this age, this day of the week,
5 this hair color. Settlement house funding
6 goes to those nonprofits and allows them to
7 look at what the need is in their community
8 and come up with creative solutions. Whether
9 it's culturally competent domestic violence
10 services for the Arab-American population,
11 financial support for families dealing with
12 bereavement issues in the high-crime areas,
13 the settlement houses really take that
14 funding and use it to do creative services.

15 And so we'd ask for that to be
16 restored. It was removed by the Governor at
17 \$2.45 million, and we're asking for it to be
18 increased to \$5 million, which doesn't get it
19 quite to where it used to be, but we would
20 appreciate the ability to expand that
21 program.

22 I know I'm over, so I'm going to go
23 into speed-talk mode. Very quickly, we are
24 proud members of the Strong Nonprofits for a

1 Better New York campaign, and you'll hear
2 more about that from my colleagues. I
3 support everything they're about to say. The
4 Nonprofit Infrastructure Capital Investment
5 Program is critical to keep human service
6 spaces in good working order. We know that
7 the BFair2DirectCare effort last year was
8 vitally important and successful. We want
9 that extended to the rest of the nonprofit
10 workforce. We recognize when the state
11 increases the minimum wage, as we support,
12 they need to include that cost in state
13 contracts.

14 And finally, the state has been in
15 noncompliance with federal guidelines for
16 about four years now regarding indirect costs
17 when the state is using federal dollars in
18 pass-through to contracts. We'd urge this
19 body to work with the state to resolve that
20 and make sure that providers are getting the
21 appropriate and direct overhead.

22 Thank you.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 Senator Krueger?

1 SENATOR KRUEGER: Thank you, no -- I
2 just appreciate everything that you raised in
3 your testimony.

4 And for those of us who come from New
5 York City, I'm not sure we could imagine our
6 communities being what they were if not for
7 the settlement houses and the fact that you
8 offer such an incredibly diverse group of
9 programs. And also, unlike many, you can
10 sort of turn on a dime, so to speak, to
11 respond to new issues in communities. So I'm
12 just glad you're all there.

13 Thank you.

14 MR. DOUGLAS: Thank you.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 Next is the Schuyler Center for
17 Analysis and Advocacy, Kari Siddiqui.

18 MS. SIDDIQUI: Good afternoon. I
19 would like to thank you all for the
20 opportunity to testify today.

21 I am a senior policy analyst with the
22 Schuyler Center for Analysis and Advocacy.
23 We are a 146-year-old nonprofit organization
24 dedicated to providing analysis and advocacy

1 in support of public systems that focus on
2 people in need.

3 As you have my written testimony
4 before you, I will just try to highlight some
5 of the most urgent pieces.

6 While New York's economic indicators
7 have seen steady improvement since the
8 Great Recession, the state continues to
9 struggle to provide for many of our children
10 the supports they need to grow, learn, and
11 thrive. We can and must do better by our
12 children to provide them the steppingstones
13 they need to set on a path to achieving their
14 full potential.

15 The Executive Budget proposes a few
16 important investments for children, including
17 allocating funds for the development of
18 recommendations of the state's trailblazing
19 First 1,000 Days on Medicaid initiative.
20 However, there remains much to do.

21 I had hoped to sit before you today
22 requesting additional funding to expand
23 primary prevention and child welfare.
24 Instead, I am sitting here asking you to

1 ensure that no damage is done to existing
2 services.

3 The Executive Budget proposes to place
4 a cap on reimbursement to New York City for
5 child welfare services which include
6 preventive services, those services
7 specifically designed to strengthen families
8 and keep children safely at home whenever
9 possible; child protective services; and also
10 adoption administration, independent living,
11 and aftercare services.

12 This funding stream was intentionally
13 structured to be uncapped and open-ended to
14 incentivize services that keep children
15 safely out of foster care instead of
16 incentivizing foster care. The current
17 structure was enacted in 2002 after the state
18 saw foster care increase when preventive was
19 not financially incentivized. Since that
20 time, we've seen foster care caseloads
21 decrease while more and more families receive
22 preventive services.

23 In fact, the 2006 OCFS report to the
24 Legislature cited the impact that uncapped

1 preventive reimbursement had had on expanding
2 and strengthening preventive services and
3 driving down foster care numbers.

4 This proposed cap comes on the heels
5 of a \$62 million cut to foster care in last
6 year's budget. And while the cap is only
7 proposed for New York City, as was said many
8 times today, approximately half of our
9 children in foster care live in New York
10 City, and introducing this path will
11 fundamentally change the way we approach
12 child welfare in New York.

13 It will also result in a cut to
14 New York City and remove all incentive for
15 the city to innovate and expand preventive
16 services. And, in my opinion, it establishes
17 a dangerous precedent for capping spending in
18 counties that have far fewer resources.

19 So we strongly urge the Legislature to
20 reject the Governor's proposal to cap
21 reimbursement to New York City and ensure
22 that this funding remains uncapped and
23 open-ended.

24 What is more, the Governor's budget

1 proposes to eliminate all funding for
2 Close to Home, New York City's successful
3 juvenile justice program that places youth in
4 small residential facilities near their
5 homes. This comes just as New York is
6 preparing for Raise the Age implementation,
7 which will cause an influx of 16- and
8 17-year-olds into the juvenile justice
9 system.

10 We urge the Legislature to reject the
11 proposal to completely defund Close to Home,
12 and we also urge the Legislature to ensure
13 that all counties, including New York City,
14 have access to the funding necessary to
15 successfully implement Raise the Age.

16 While it is essential that the state
17 shore up and strengthen the programs
18 associated with our child welfare system, we
19 cannot forget the hundreds of thousands of
20 New York children living in informal kinship
21 arrangements. The Kinship Navigator and
22 kinship programs offer important supports to
23 kin who care for related children outside of
24 the formal system. These programs are

1 becoming increasingly important as two issues
2 face New York and the nation: The rise in
3 parental opioid use, and the federal
4 administration's focus on detention and
5 deportation. Providing kin caregivers with
6 information and support may enable more of
7 these children to remain safely with kin and
8 speed up reunification with parents when
9 appropriate.

10 We urge the Legislature to restore
11 funding for kinship programs and increase
12 funding for the Kinship Navigator so that
13 they may respond to these instances.

14 And finally, as I mentioned, the
15 budget includes funding for the First 1,000
16 Days on Medicaid, which includes a home
17 visiting component, and we urge the
18 Legislature to support that important
19 component of expanding universal access to
20 home visiting. And we also urge you to
21 expand the state investment in home visiting
22 programs.

23 I said finally; I have one more
24 thing --

1 CHAIRWOMAN WEINSTEIN: Okay.

2 MS. SIDDIQUI: -- which is childcare.

3 For many New York families with young
4 children, childcare is their largest monthly
5 bill. New York State ranks among the most
6 expensive states in the nation for childcare.
7 The average cost for full-time center-based
8 care is \$15,000 a year, and more than \$13,000
9 for a toddler or preschooler. I have an
10 18-month-old, I know this is true.

11 Many working families simply cannot
12 afford quality childcare without subsidies.
13 But subsidies, as you've heard, are only
14 available to about 20 percent of eligible
15 families. We appreciate the \$7 million
16 restoration of childcare funds from the
17 Governor's budget, but as you all know, more
18 is needed to ensure that families have the
19 support they need. We urge you to maintain
20 the Governor's restoration and to expand
21 access to childcare funding.

22 Thank you.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 SENATOR KRUEGER: I do have one

1 question. I know we're not supposed to --

2 CHAIRWOMAN WEINSTEIN: No, you get
3 this one.

4 SENATOR KRUEGER: Thank you.

5 I think you're the first one to
6 mention it today, so -- the Governor moves
7 the Nurse-Family Partnership, I think, into
8 the Department of Health. I know you're
9 asking for more money for it. Is there any
10 reason people should be worried or excited
11 about it moving to DOH?

12 MS. SIDDIQUI: So it's always been
13 kind of like the money was in OTDA and then
14 got transferred to DOH, so really it's just
15 sort of streamlining things.

16 I think the thing that folks should be
17 aware of is that it looks like a lot more
18 money than there was last year, but really
19 it's old -- a good portion of it is old money
20 that is being kind of transferred over.

21 SENATOR KRUEGER: Being
22 reappropriated --

23 MS. SIDDIQUI: Right.

24 SENATOR KRUEGER: -- because it didn't

1 get spent.

2 MS. SIDDIQUI: Right.

3 SENATOR KRUEGER: Do we know why it
4 didn't get spent?

5 MS. SIDDIQUI: I don't know that
6 offhand.

7 SENATOR KRUEGER: Thank you.

8 MS. SIDDIQUI: Sure.

9 CHAIRWOMAN WEINSTEIN: Assemblywoman
10 Jaffee, and then Assemblyman Hevesi.

11 ASSEMBLYWOMAN JAFFEE: Just briefly, I
12 want to thank you for your continued advocacy
13 for so many of these programs, but what we've
14 been really working on together, the
15 expansion of funding for childcare, so
16 essential for our communities, our children
17 and families, as well as the issues impacting
18 the kinship care and foster care.

19 Thank you.

20 CHAIRWOMAN WEINSTEIN: Assemblyman
21 Hevesi.

22 ASSEMBLYMAN HEVESI: So, Kari, I just
23 want to say thank you. I didn't understand
24 the magnitude of what the Governor's

1 proposing this year, and one of the dangers
2 of being a politician, the way you're trained
3 is you solve one problem at a time. You only
4 look at one thing at a time, and you can't do
5 that.

6 And you illuminate in your testimony
7 the fact that, look, last year \$62 million
8 was cut from foster care, it was a big hit
9 for those kids, then this year we're going to
10 cut preventative services in a way that has
11 been proven historically in the last 20 years
12 to be monumentally stupid. It hurts kids and
13 serves as a disincentive for localities to
14 give money. It's just bad public policy.

15 We zeroed out Close to Home, even
16 though it was the Governor's idea -- one
17 after the other -- bang, bang, bang. And the
18 question has to come at some point, what is
19 the motivation here? This is not financial.
20 There's something else going on here that
21 this population, these kids are taking hits,
22 hits, hits.

23 And I didn't realize the magnitude of
24 it. I've wanted to get on the record saying

1 it, but now that I do, I wanted to thank you
2 for illuminating how bad this really is.

3 Thank you.

4 MS. SIDDIQUI: Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.
6 Thank you for your testimony here today.

7 Next, Paige Pierce, CEO, Families
8 Together in New York State.

9 MS. PIERCE: Good evening. Thank you
10 very much for your patience.

11 I'm Paige Pierce. I'm the CEO of
12 Families Together in New York State. We
13 represent families of young people with
14 behavioral health needs. And as you can
15 imagine, our children are involved in
16 multiple systems, including child welfare,
17 juvenile justice, special education, alcohol
18 and substance abuse, mental health.

19 I just want to say first, Assemblyman
20 Hevesi, you've just said everything I was
21 going to say, so I don't need to repeat it.
22 Thank you very much, you were right on.

23 And I thank a lot of you today --
24 thank you for asking the right questions of

1 the commissioner from OCFS, specifically
2 about funding for the Raise the Age and
3 Close to Home initiatives.

4 As someone who worked very hard on the
5 Raise the Age bill over many, many years, we
6 did that for all the kids in New York State,
7 for the entire state, not just for the
8 upstate kids. And it is critical that the
9 city have the ability to implement Raise the
10 Age. It was promised to everybody along all
11 of the years that we worked on it; that was
12 always a promise from the second floor. So
13 we would just urge you to hold them to that
14 promise.

15 I just also want to say you have my
16 written testimony, so I don't need to get
17 into it too much, but the main things that
18 Families Together works on is family-peer
19 support. And you've heard throughout today
20 and many times before that those kinds of
21 soft services like family-peer support and
22 peer support in general can save a lot of
23 money and can reduce adverse childhood
24 experiences, which we know, when we look at,

1 you know, social determinants and what the
2 long-term effects are, we have the ability,
3 if we invest now -- we have the ability to
4 cut costs for many decades out.

5 And when we hear about, you know,
6 veterans that have major issues, I think, you
7 know, we can avoid some of the traumas. We
8 can't avoid veteran traumas, but we can avoid
9 the traumas that we know our children
10 sometimes face, and we can avoid a lot of
11 expensive healthcare issues -- not just
12 mental health and substance abuse issues, but
13 healthcare issues. The ACE study shows that.

14 So I just want to say one other thing,
15 and that is when we think about -- as
16 Assemblyman Hevesi said, you know, something
17 else is going on. If there's going to be
18 bickering between the state and the city,
19 please do not let it be on the backs of the
20 children and families. That's all I ask.

21 CHAIRWOMAN WEINSTEIN: Assemblyman
22 Hevesi.

23 ASSEMBLYMAN HEVESI: Just thank you
24 for your testimony.

1 I would like to connect with you
2 offline to talk more about ACEs. I think
3 that's an area that's ripe for public policy
4 moves on our part, and I'd like your
5 guidance. So thank you.

6 MS. PIERCE: Great. Thanks.

7 And Assemblywoman Jaffee,
8 congratulations, you're going to be our
9 Legislator of the Year at Families Together's
10 Legislative Awareness Day next Tuesday. So
11 you're all invited.

12 CHAIRWOMAN WEINSTEIN: Thanks for that
13 promo.

14 ASSEMBLYWOMAN JAFFEE: Thank you.

15 SENATOR KRUEGER: Thank you very much.

16 MS. PIERCE: Thank you.

17 CHAIRWOMAN WEINSTEIN: Next, Ann Marie
18 Maglione, Association on Aging in New York.

19 And she'll be followed by Sheila
20 Harrigan, then Jim Purcell, Mallory Nugent,
21 Stephanie Gendell.

22 MS. MAGLIONE: Good afternoon. Thank
23 you for the opportunity to testify on the
24 impact the 2018-2019 Executive Budget

1 proposal will have on New Yorkers and the
2 aging network in New York State.

3 My name is Ann Marie Maglione, and I
4 am the legislative chair of the Association
5 on Aging in NY, and I'm also the director of
6 the Orange County Office for the Aging.

7 You have my written testimony, so I'm
8 just going to touch base on a few of the
9 points.

10 I'd like to thank Senator Young and
11 Assemblywoman Weinstein for chairing these
12 hearings, as well as extending our
13 appreciation to Senator Serino and
14 Assemblywoman Lupardo for their strong
15 leadership on aging issues.

16 The Association on Aging in New York
17 represents the 59 mostly county-based area
18 agencies, AAAs, and they're also known as the
19 Offices for the Aging throughout New York
20 State. The programs, services and supports
21 we provide allow older New Yorkers to live
22 independently in the community and also
23 support their caregivers. The services
24 provided by the aging network address

1 prevention and the social determinants of
2 health that help delay, and possibly prevent,
3 the need for more medically intensive
4 services.

5 As you are all aware, the 60-plus
6 population is exploding and has complex needs
7 which are putting a strain on the aging
8 services network. We fully recognize the
9 fiscal challenges the state is facing, but we
10 need to ensure the supports are there for
11 older New Yorkers.

12 So our priorities for the budget are
13 certainly NY Connects, and I wanted to
14 just -- before I go into this, I wanted to
15 chat for a minute, because NYSOFA and the
16 association are a little bit on different
17 pages with this. There's a few reasons that
18 we are. Those few reasons -- our wait lists
19 are different, there's a few reasons our
20 NY Connects numbers are different. There
21 were system issues that caused delays, and
22 the delays really then prevented -- poor
23 timing with the contract. So the contract
24 was delayed so that we really couldn't

1 implement in a timely manner, and that really
2 reflected on the numbers. We also -- the
3 state initiated a statewide reporting system
4 which had a couple of hiccups. So taking all
5 of that into account, that's why we differ a
6 little bit.

7 You know, finally, an official state
8 report is quite different from the informal
9 local reports that we're standing by. But
10 we're certainly going to be talking with
11 NYSOFA to make sure that we're on the same
12 page. We really value them and we work very
13 closely together, so we're going to be doing
14 that.

15 NY Connects is a locally coordinated
16 system of specialized information and
17 assistance on long-term services and supports
18 for the age-60-plus individuals with physical
19 disabilities, caregivers, and providers.
20 New York State has spent years building this
21 multiagency cross-systems approach to service
22 access, and last year more than 230,000 calls
23 came in through NY Connects. And we're
24 seeing a drastic increase since the launching

1 of the statewide public awareness campaign.

2 Just to give you an example, Monroe
3 County alone, in 2016 they had 13,000 calls
4 that came through NY Connects. In 2017, they
5 had 21,000. So there's quite a bit of a
6 difference.

7 But unfortunately, after years of
8 building this system, it's not adequately
9 funded. In 2016 the tentative allocation was
10 \$33 million. The 2017 final allocation was
11 only \$19.3 million, 14 less than what was
12 promised. The Governor's proposed budget
13 only provides \$44.5 million for two years.
14 The NY Connects system requires \$41 million
15 annually in order to fully function:
16 \$33 million for the AAAs, and \$8 million for
17 the Independent Living Center run systems.

18 So what does that mean? Because of
19 the reduction of funding in 2017, 280 jobs
20 were either terminated or left unfilled, and
21 those in need were having difficulty
22 accessing services. People were falling
23 through the cracks as they were left on hold
24 and ultimately they hung up after they didn't

1 get a response.

2 So we respectfully request the
3 NY Connects allocation in the global cap be
4 adjusted to provide \$41 million annually, or
5 \$82 million over a two-year period, in order
6 to sustain the system.

7 Community Services for the Elderly,
8 CSE. The Executive proposes to cut CSE by
9 \$875,000, which is what the Legislature added
10 last year. Total funding is proposed at
11 \$28.9 million. Waiting lists continue to
12 grow as the population of older New Yorkers
13 grows, and with increased public awareness of
14 these services through the promotion of
15 NY Connects.

16 In order to fully address the waiting
17 lists and ensure individuals are receiving
18 the services they need, an additional
19 \$24 million in funding is requested.

20 Elder abuse. While we were pleased
21 the Governor maintained funding for enhanced
22 multidisciplinary teams so they may be
23 sustained and expanded throughout the state,
24 we are concerned with the \$200,000 cut to

1 baseline elder abuse services. Elder abuse
2 affects an estimated 260,000 older adults
3 annually and is consistently underreported.
4 We respectfully request restoration to the
5 \$200,000 as well as a \$10 million investment
6 in community-based efforts to address elder
7 abuse.

8 Home care crisis. This issue has been
9 at the forefront of numerous legislative
10 hearings and discussions. The association
11 conducted a survey of our members, and almost
12 every county is facing an inability to fill
13 homecare hours. Without a workforce of
14 homecare providers, the ability of elderly
15 New Yorkers to remain in the community will
16 simply be lost.

17 Now, we're certainly not coming here
18 tonight and asking you to solve the problem.
19 We realize it's a multifaceted problem, and
20 my colleagues and I across the state continue
21 to look for innovative ways to fill the
22 demand for home healthcare hours.

23 And I'll give you an example. In my
24 county, Orange, we recognized that we really

1 needed to do something. We are working with
2 Mount Saint Mary College to utilize
3 social-work students as personal care 1 aides
4 as part of their curriculum. This will allow
5 us to move home care aides to the personal
6 care level 2 for the more intensive work to
7 address --

8 CHAIRWOMAN WEINSTEIN: Can you just
9 summarize, very quickly, the remainder?

10 MS. MAGLIONE: Oh, yes.

11 -- to address the growing need.

12 So I want to talk one more time
13 about -- last about transportation. Wait
14 lists for transportation have also increased
15 dramatically over the past year. In
16 addition, there are maintenance and
17 operational requests, and we respectfully
18 request \$2.5 million to address these needs
19 across the nation.

20 The association is committed to
21 working with Governor Cuomo and the
22 Legislature to support New York State's
23 designation as the first age-friendly state,
24 and we're so proud of that. By ensuring

1 health across all policies, by requiring all
2 state agencies to consider health and
3 wellness outcomes in their policy
4 decisions -- as part of this, we need to
5 ensure that the services that keep older
6 New Yorkers in the community are funded.

7 I want to thank you again for these
8 important hearings and for allowing the
9 association the opportunity to testify. We
10 very much look forward to working with you in
11 the coming weeks and months to address all of
12 these issues of critical importance to older
13 New Yorkers and their families.

14 Thank you so much.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 Thank you for your work and the work
17 of your colleagues around the state on behalf
18 of our senior populations.

19 CHAIRWOMAN YOUNG: Senator Serino.

20 SENATOR SERINO: Thank you.

21 Hi, Ann Marie. How are you?

22 MS. MAGLIONE: How are you?

23 SENATOR SERINO: I just want to say
24 thank you for all your advocacy.

1 MS. MAGLIONE: Oh, thank you.

2 SENATOR SERINO: You're doing a great
3 job, and it's a pleasure working with you.

4 My question is going to be about CSE,
5 because there's such a discrepancy in the
6 numbers. Now, what number -- do you have a
7 number? I know you heard the earlier
8 testimony of people on the waiting list.

9 MS. MAGLIONE: Well, we -- you know,
10 waiting lists are fluid. So it's a snapshot
11 right then.

12 SENATOR SERINO: Okay.

13 MS. MAGLIONE: And since what we do is
14 so diverse, what may be of need right now may
15 not be a need later.

16 But we really do stand by the 16,000,
17 and there's reasons for that. The population
18 is growing by leaps and bounds, we know that.
19 We see this all the time. We report
20 differently, and everybody -- what the state
21 may be reporting, or what the state may be
22 seeing, we may not be seeing.

23 So if in my county I'm counting the
24 numbers that are waiting for aides -- but

1 there may be another county that's reporting
2 the people that haven't even been assessed.
3 So there's different numbers.

4 SENATOR SERINO: Okay. Is there a way
5 that we can, like, work together to get a
6 more accurate -- do you guys have some ideas?
7 Because it's a little frustrating, right?

8 MS. MAGLIONE: Yeah, and I can
9 absolutely understand that. That's what
10 we're going to be working with. We're going
11 to get together with NYSOFA, but we did do an
12 informal -- we did do an informal one with
13 our association, and it really did show that
14 the need is there.

15 SENATOR SERINO: Yes.

16 MS. MAGLIONE: It continues to grow.
17 So -- but we're going to get together so we
18 can all have the same number and we can all
19 work together with the same number.

20 SENATOR SERINO: Great. Thank you.

21 CHAIRWOMAN WEINSTEIN: Thank you
22 again.

23 Next, the New York Public Welfare
24 Association, Sheila Harrigan, executive

1 director.

2 MS. HARRIGAN: Thank you so much.

3 I'm here with one message today, and
4 that is we're all in this together. We're
5 all one state. This is not "A Tale of Two
6 Cities," as in Charles Dickens' story about
7 Paris and London; it is -- I hope -- not "All
8 My Sons" where the father learns too late
9 that to save money in one place, he hurts
10 everyone. This is very serious.

11 The New York Public Welfare
12 Association represents social services
13 statewide, and we are deeply, deeply
14 concerned about the cuts to New York City
15 child welfare programs. We do believe they
16 could set a precedent statewide, and we're
17 one state. We need to hang in there and keep
18 together.

19 On one other issue of homelessness,
20 our members, grassroots, helping homeless
21 people every day, very important -- the
22 outreach language requiring an extra
23 administrative layer of oversight and
24 planning is counterproductive. It's hurtful.

1 It stops us from helping the people who need
2 help. It takes away funding from people on
3 assistance. In terms of reimbursement to
4 counties, it's the wrong thing to do.

5 Our members are collaborating with
6 OTDA, we feel that we have it covered. The
7 language should be removed.

8 On geriatric parole, we understand the
9 intent. We need the state to step up to the
10 plate and not just cover the medical
11 expenses, but all the related needs for
12 geriatric parolees.

13 And that sums it up. Thank you.

14 CHAIRWOMAN WEINSTEIN: Great.

15 Assemblyman Hevesi for a brief
16 question.

17 ASSEMBLYMAN HEVESI: Very brief.

18 Ms. Harrigan, I just want to say thank
19 you for your testimony. And also I agree
20 with you wholeheartedly about the policy to
21 punish local social services districts and
22 public assistance recipients if they don't
23 comply. The state could have just as easily
24 have given you a little money to help for

1 outreach and gotten the same conclusion.

2 So yeah, I'm -- as well as you are,
3 I'm tired of the state being punitive with
4 the local social services districts.

5 Thank you.

6 SENATOR KRUEGER: I also -- hi. I
7 also want to thank you for highlighting a
8 concern that some of us raised during the
9 Public Protection hearing, that one can
10 support, philosophically, geriatric parole,
11 but one must make sure that you are not
12 simply paroling elderly, sick people into a
13 homeless shelter system somewhere.

14 So thank you.

15 MS. HARRIGAN: Thank you.

16 CHAIRWOMAN WEINSTEIN: Thank you for
17 being here today.

18 Next, Jim Purcell, CEO of the Council
19 of Family and Child Caring Agencies.

20 MR. PURCELL: Thank you very much.
21 I've been here as long as you have, and I'm
22 surprised you're all still awake. Well, most
23 of you are awake --

24 CHAIRWOMAN WEINSTEIN: A presumption

1 on your part.

2 (Laughter.)

3 MR. PURCELL: We set out this year to
4 talk with you about key issues related to the
5 nonprofit foster care agencies, the need that
6 actually Senator Tedisco spoke to earlier
7 about the fact that we have to pay them a
8 wage that allows them to stay in their jobs.

9 Our turnover rate for these front-line
10 workers is over 40 percent. And when you
11 deal with traumatized people, especially
12 kids, what they need is that constant
13 caregiver who they can come to trust. And
14 we're failing in that as our workers leave
15 for better jobs, constantly.

16 I would have spoken to that longer.

17 Last year we asked for a \$1 million
18 from the Legislature to fund a half a million
19 for tuition support for our staff and another
20 half-million for loan forgiveness so that
21 people with high student loans could stay in
22 this field. You were able to add \$100,000 to
23 the budget, which actually allowed HESC to
24 put together the mechanisms to make that

1 work.

2 And what I'm sure is a surprise to all
3 of us, that 100,000 is in the Governor's
4 budget this year. I mean, we all know that
5 the Governor -- any governor very seldom puts
6 legislative adds in his budget, but that was
7 in. And so we're back asking you simply to
8 again try to fund it at a more realistic
9 level of something on the order of
10 \$1 million.

11 And finally, our residential agencies
12 take quite a beating from a dozen young
13 people who can be hard on walls and carpets
14 and furniture. And given the fact that prior
15 to the last couple of years we've had no rate
16 increases, the deferred maintenance on those
17 buildings is quite serious, and so we need
18 some capital money. And so we would have
19 talked about that.

20 But instead, I'm going to take the
21 rest of my three minutes and 48 seconds and
22 talk about what you've been talking about all
23 day, which are the absolutely horrendous cuts
24 in this budget for New York City.

1 I've been around a long time in child
2 welfare. I was here in the '90s when
3 Governor Pataki block-granted foster care,
4 protective and preventive -- altogether, cut
5 \$130 million. I worked for the state, I was
6 not allowed to mention that number anyplace
7 at the time. Within six months, Elisa
8 Izquierdo was killed by her caregivers in
9 New York City. Many of you remember that
10 case. A month later, the Governor had the
11 good sense to pull child protective services
12 out of that block grant, recognizing that he
13 was probably very lucky he didn't get blamed
14 in some way for that death.

15 And then, as you also heard today --
16 brilliant history that Assemblyman Hevesi
17 provided on this -- when OCFS looked at what
18 had happened over the intervening years from
19 '95 to about 2002, what happened is what you
20 would have predicted to happen. Foster care,
21 being a relatively predictable, required
22 cost, was squeezing child preventive services
23 out of the funding stream. Maybe less so in
24 New York City, but certainly in upstate

1 counties that's what we saw.

2 And so in 2002 or '03, Governor Pataki
3 pulled the preventive services out of the
4 block grant, put them with protective at
5 65 percent. Now it's 62. The important
6 thing about that appropriation is that it's
7 open-ended. It's a statement by the state:
8 You write the laws, you decide which children
9 should be protected, which children should
10 have mandated preventive services, which
11 children need to be in foster care.

12 And then the state conditions its
13 support for foster care through the block
14 grant -- which I personally abhor -- but now
15 turns its back on the very programs that have
16 successfully lowered the foster care numbers.

17 And then, on Close to Home, this was
18 an agreement between the city and state five
19 years ago, written into the state budget. It
20 has been more successful than anybody would
21 have dreamed. The ability to keep these kids
22 out of residential care, with their families,
23 safely, witnessed by the continuing drop in
24 the juvenile crime rate -- it hasn't gone up

1 because fewer kids are placed. And the kids
2 who are placed are fewer than anybody would
3 have anticipated.

4 And after a rocky start in the first
5 year, for some reasons that I won't go into
6 now, but some of them were structural in the
7 way it was implemented -- nobody's fault, we
8 just sort of didn't think it through, I
9 think -- there were a number of AWOLs and
10 other problems. Those numbers are way down.

11 These programs host -- one of them
12 hosts a Thursday movie night and invites the
13 parents of the kids to come in and watch some
14 movie with their kid.

15 One agency, when they first said they
16 were going to do an ice cream social in the
17 local park and invite the parents on a Sunday
18 afternoon, they then invited the city and
19 state overseers. And I got a call saying,
20 "But what should we do? The kids will AWOL."
21 And the executive director of the agency
22 said, "Why would they AWOL? They're with
23 their parents, and we're giving them ice
24 cream." There were no AWOLs.

1 And so this program of engaging
2 families in the care of these kids has been a
3 huge success. Now we're going to do it with
4 the 16- and 17-year-olds. Except the state
5 has decided it's not going to pay. I hear
6 the arguments about the shares, it's all
7 about the shares. And as my testimony says,
8 nobody is going to ask in eight or nine years
9 did we balance the shares in 2018. That will
10 not be the question.

11 These are permanent cuts. The one in
12 preventive is deadly. And in years to come,
13 especially if this spreads across the
14 state -- as you just heard from Sheila
15 Harrigan, it's the fear that all of us
16 have -- we're going to be asking why there
17 weren't services for some family, why this
18 child got hurt, why this county had child
19 protective caseloads that were way too high.
20 And the answer will be because we balanced
21 the shares in 2018.

22 I think that's an unacceptable answer.
23 If the state and city need to work out how
24 much each is going to pay for the big picture

1 of \$168 billion for the state and \$88 billion
2 or whatever it is for the city, I'm sure you
3 all can help them find other places except on
4 the backs of our most vulnerable kids and
5 families to do that balancing.

6 And I thank you for all your attention
7 to this today. It leaves us a bit hopeful, I
8 will say.

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 SENATOR KRUEGER: Thank you.

11 MR. PURCELL: Thank you, Senator.

12 CHAIRWOMAN WEINSTEIN: Thank you for
13 being here.

14 MR. PURCELL: Thank you.

15 CHAIRWOMAN WEINSTEIN: Next, Mallory
16 Nugent, senior policy analyst, Federation of
17 Protestant Welfare Agencies.

18 To be followed by Stephanie Gendell,
19 Meredith Chimento, Elizabeth Powers, and Jenn
20 O'Connor. If those people could make their
21 way down.

22 Yes, thank you.

23 MS. NUGENT: Hello. Thank you for the
24 opportunity to testify tonight. And I

1 appreciate you all sitting through what I
2 know is a very long day.

3 I'm Mallory Nugent. I'm a senior
4 policy analyst at FPWA. We're a New York
5 City-based membership organization with about
6 160 faith- and community-based organizations
7 as our members. Most of our advocacy work
8 focuses around issues of economic justice and
9 alleviating poverty.

10 We're also the co-lead of the Strong
11 Nonprofits for a Better New York campaign.
12 You may have seen our bake sale and our
13 infrastructure fair in recent weeks, and one
14 of these fancy buttons probably appeared in
15 your office yesterday.

16 Strong Nonprofits is a coalition of
17 about 350 human services nonprofits from
18 across the state that have come together to
19 advocate for increased funding for the human
20 service nonprofits that serve our communities
21 every day, specifically around the issues of
22 workforce and infrastructure.

23 The human services workforce is highly
24 educated and are highly committed. They are

1 also 81 percent women and 46 percent people
2 of color, making fair wages for them an issue
3 of equity. And when we talk about closing
4 the gender pay gap and fair wages, this is a
5 workforce that the state has a lot of control
6 of because they fund most of these
7 nonprofits.

8 They're vastly underpaid currently.
9 There's a chart in my testimony that shows
10 the average human services salary versus what
11 the United Way says is a basic cost of living
12 in many areas of our state, and then you will
13 see that it is vastly lower than it should
14 be.

15 This leads to, as Jim Purcell
16 mentioned, very high turnover in these
17 organizations, which is very costly to the
18 organizations themselves and very detrimental
19 to the clients that they serve.

20 Last year we applaud the investment
21 that was made in the direct care workforce.
22 That was much needed and much deserved.
23 Unfortunately, that left out a lot of direct
24 service providers. Workers that do similar

1 jobs but that are contracted through OCFS,
2 OTDA, NYSOFA, did not receive an increase and
3 have not received an increase.

4 These are the same workers that are
5 eligible for the statutory cost-of-living
6 adjustments that is yearly removed from the
7 Executive Budget. This has led to a
8 "savings" of about half a billion dollars.
9 Our savings for the state should not be
10 coming out of the pockets of these
11 hardworking human services workers.

12 We are also aware of the reality of
13 budget, and therefore are not here to ask for
14 half a billion dollars. We are advocating
15 for \$65 million to allow for a 3.25 percent
16 increase for these workers for this year,
17 which is the same that was provided to the
18 direct care workers last year.

19 Additionally in the area of workforce,
20 nonprofits stood for the minimum wage. We
21 believed in it both for our clients and for
22 our own staff. Unfortunately, it remains an
23 unfunded mandate for nonprofits that contract
24 with the state. They're having to make

1 difficult choices about cutting staff hours
2 or cutting programs in order to fill that
3 gap. And as the minimum wage rises, that
4 hole gets bigger in their budget. So we are
5 advocating for \$23 million to be included in
6 this year's budget to help them address that
7 gap.

8 As my colleague Kevin Douglas
9 mentioned, overhead and indirect costs for
10 nonprofits are low to nonexistent, which
11 means that they're often putting off a lot of
12 very vital infrastructure needs in terms of
13 their repairs and their technology. They go
14 without things that are critical to their
15 function. We have disability services
16 organizations that have broken elevators or
17 heating and cooling centers with broken
18 HVACs -- things that they need in order to do
19 their jobs.

20 We applaud the \$120 million that was
21 allocated over the last three years for the
22 Nonprofit Infrastructure Capital Investment
23 Program, and we are asking for that to
24 continue at \$100 million for this year and

1 make that fund recurring. Six hundred
2 thirty-five organizations applied for the
3 initial \$100 million, and 237 received
4 grants. So while that's a great first step,
5 it's definitely just a first step.

6 And I will note that none of these
7 items were included in the Governor's
8 Executive Budget, despite ongoing
9 conversations for several years on some of
10 these items. So we really need the
11 Legislature's support in order to make sure
12 that these ongoing issues are addressed.

13 In the interests of time, I won't go
14 through all the programmatic items that FPWA
15 supports, but it echoes many of my
16 colleagues' requests in the areas of
17 childcare, child welfare, aging, and housing
18 stability support. The specifics are all in
19 the written testimony. But we strongly
20 support those items with our members in the
21 communities that we serve.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 Assemblywoman Jaffee.

24 ASSEMBLYWOMAN JAFFEE: Just in

1 response to one item in your folder here,
2 your testimony -- the Governor did sign my
3 legislation regarding the childcare task
4 force.

5 MS. NUGENT: Okay.

6 ASSEMBLYWOMAN JAFFEE: And we did put
7 some amendments in, but that will move
8 forward because we discussed -- we worked
9 with the Governor on that.

10 MS. NUGENT: Wonderful.

11 ASSEMBLYWOMAN JAFFEE: So it will be
12 moving forward.

13 MS. NUGENT: Thank you.

14 ASSEMBLYWOMAN JAFFEE: I just wanted
15 to let you know.

16 MS. NUGENT: And thank you for your
17 work on that.

18 SENATOR KRUEGER: Senator Montgomery.

19 SENATOR MONTGOMERY: Yes, thank you.

20 I know that people who work in
21 childcare are still the worst off of any
22 group of people. And of course, depending on
23 how you view it -- I view it that they do the
24 most important job.

1 So are you going to be -- is FPWA part
2 of the Governor's task force? Or how do you
3 propose that we should address that issue in
4 particular? After all of these hundreds of
5 years that we've been talking about, it's
6 still the same problem.

7 MS. NUGENT: The childcare workforce
8 issue?

9 SENATOR MONTGOMERY: Yes.

10 MS. NUGENT: I mean, I think it starts
11 with investing money into these nonprofits so
12 that they can provide appropriate salaries,
13 because we can't continue to raise --
14 obviously, you know, we talked about the
15 expense of childcare, putting that on to
16 New York families, people who -- you know, we
17 end up in a situation where childcare costs
18 more than person makes when they go to their
19 job.

20 But we also need to make sure that
21 these workers are getting paid appropriately.
22 So I think that involves putting significant
23 investment in from the state and localities.

24 SENATOR MONTGOMERY: So are you -- is

1 FPWA going to be on that task force? Have
2 you been invited to be on it or --

3 MS. NUGENT: I would have to get back
4 to you on that. One of our colleagues
5 handles our childcare portfolio. But I can
6 definitely look into that and get back to
7 you.

8 SENATOR MONTGOMERY: Oh, okay. I
9 would like to know. Thank you.

10 CHAIRWOMAN WEINSTEIN: Assemblyman
11 Hevesi.

12 ASSEMBLYMAN HEVESI: Hi, Mallory.

13 MS. NUGENT: Hi.

14 ASSEMBLYMAN HEVESI: I just want to
15 say thanks for all of the work you're doing
16 in advocating and not letting us forget that
17 the nonprofit providers in New York State
18 have been systematically underfunded for the
19 last seven years and it's done under phony
20 budget pretenses. But you guys are getting
21 hurt, and you are on the front line. And
22 you're exactly who we should be helping,
23 because the people that you serve are the
24 most vulnerable New Yorkers.

1 So thank you for the work you're doing
2 and for advocacy.

3 MS. NUGENT: Thank you. We appreciate
4 it.

5 ASSEMBLYMAN HEVESTI: We'll be fighting
6 with you. Thanks.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 Next, Stephanie Gendell, Citizens'
9 Committee for Children.

10 MS. GENDELL: Good evening. My name
11 is Stephanie Gendell. I am the associate
12 executive director for policy and advocacy at
13 Citizens' Committee for Children.

14 We are deeply, deeply disappointed
15 that this Executive Budget is balanced by
16 cutting the services for the most vulnerable
17 children and their families, particularly
18 those from New York City. Never in a million
19 years did I think that is what this budget
20 was going to look like this year.

21 Albert Einstein said the definition of
22 insanity is to doing the same thing and
23 expecting a different result. That is what
24 we are doing here with this budget. As we've

1 gone through the history already today, it
2 was my organization that did the report in
3 1998, long before my time there, that found
4 that, lo and behold, if you block-granted and
5 cut all of the child welfare services, you
6 see an increase in foster care, a decrease in
7 prevention, and more children getting hurt.

8 We are headed right back in that
9 direction in New York City, where the most
10 vulnerable children are living, and it --
11 just to be clear, these are children of
12 color. And it is just very upsetting that
13 this is where we're heading.

14 There is a discrepancy in how much the
15 cut is to New York City between what the
16 state estimates and what the city estimates.
17 But at the end of the day, it's less about
18 the money and more about the cap.

19 This child welfare services funding
20 stream is an incentivized funding stream to
21 incentivize counties to invest in services
22 that produce good outcomes. The city has
23 done that. That is why they are being
24 penalized. They have one of the most

1 extensive arrays of preventive services in
2 the country, and they have lower child
3 protective caseloads. If we remove that
4 incentive, we don't know what exactly they
5 will do.

6 It is important to note that actually
7 a year ago the state required New York City
8 to have a monitor, Kroll, because they were
9 concerned about whether or not the city was
10 actually doing a good enough job for child
11 safety. A year ago, Commissioner Poole said:
12 "The monitor's responsibility will be to
13 evaluate all policies, practices, and
14 procedures and determine the reasons for the
15 troubling failures we have seen. OCFS will
16 work with the monitor and ACS to strengthen
17 child protection programs across New York
18 City."

19 Cutting their funding and capping the
20 incentive does not strengthen child
21 protection in New York City.

22 At the same time, the Administration
23 for Children's Services, the same city
24 agency, also handles juvenile justice. The

1 budget proposes to cut all of the funding
2 they currently receive for the very
3 successful program Close to Home, where the
4 younger children are currently in placement,
5 at the same time that we're expecting the
6 population in Close to Home to triple with
7 the implementation of Raise the Age.

8 In addition, there's \$100 million in
9 the budget to Raise the Age, and our
10 understanding is that New York City will not
11 be able access any of the Raise the Age
12 funding because it requires the county to be
13 under the 2 percent property tax cap, which
14 New York City does not have, and to prove
15 financial hardship -- which I would argue,
16 after this budget, they will have. But the
17 word on the street is that New York City has
18 a lot of money, so I don't think they're
19 going to be able to prove financial hardship.

20 We do city advocacy as well. I've
21 looked at the city budget. I do not think
22 they have as much of a budget surplus as is
23 being reported. But even if the city really
24 does have additional funding as has been

1 stated earlier, balancing the budget by
2 cutting services for the most vulnerable
3 children and families is not the way to
4 resolve any sort of budget dispute between
5 the state and the city.

6 In addition, New York City is
7 currently facing a homelessness crisis.
8 There are over 27,000 children living in
9 homeless shelters in New York City. Half of
10 those children are not even living in
11 shelters built to house the homeless, they
12 are in cluster-site apartments and hotels, a
13 growing number in hotels.

14 We were disappointed that the budget
15 didn't do anything to try to address the
16 homelessness crisis in New York City. We had
17 hoped to see some version of
18 Assemblymember Hevesi's Home Stability
19 Support program or any sort of additional
20 rental programs to help prevent homelessness,
21 as well as other innovative ways to address
22 the well-being of the children and families
23 who are currently homeless in New York City.

24 Finally, as has been mentioned before,

1 we also desperately need additional childcare
2 resources, which feels very challenging to
3 ask for in this moment where we're trying to
4 protect the services for the most vulnerable
5 children and families.

6 Thank you.

7 CHAIRWOMAN WEINSTEIN: Thank you

8 Mr. Hevesi.

9 ASSEMBLYMAN HEVESI: Stephanie, I just
10 want to say thank you -- and Jim and Kari and
11 everybody else -- for teaching me how bad
12 this really is. Thank you for all your work.

13 MS. GENDELL: Thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you,
15 Stephanie.

16 Meredith Chimento, executive director,
17 Early Care and Learning Council.

18 MS. CHIMENTO: Good evening. As
19 mentioned, I'm Meredith Chimento, I'm the
20 executive director of the Early Care and
21 Learning Council. We are the statewide
22 membership organization for the 34 childcare
23 resource and referral agencies in New York
24 State, covering all 62 counties.

1 You've heard this all before, but I
2 wanted to touch on a few different points
3 that are in my testimony.

4 The first is that we are part of the
5 Winning Beginning NY and the Empire State
6 Campaign for Quality Childcare, and we fully
7 support the proposals set forth in the
8 First 1,000 Days on Medicaid initiative and
9 the Board of Regents' Early Childhood
10 Workgroup blue ribbon committee, which
11 includes funding for locally based strategies
12 that strengthen communities and promote early
13 literacy.

14 Each day our CCR&R agencies help
15 families navigate the barriers to finding
16 high-quality childcare. These include high
17 cost, limited access to childcare subsidies,
18 and limited access to actual centers.

19 I wanted to reference -- which is not
20 in my testimony -- that 61 percent of
21 New Yorkers live in a childcare desert, and
22 that a childcare desert is defined as
23 community with no childcare or so few
24 providers that there are more than three

1 children for every licensed childcare slot.

2 I've spoken with Assemblymember Jaffee
3 about this before. I, when I had small
4 children, drove an hour and 15 minutes to
5 bring my child to a licensed childcare
6 center.

7 Another part in my testimony that I'd
8 like to touch base or point out is testimony
9 from a mom in Erie County. Her name is
10 Christina. She needed to find care that
11 opened before 7 a.m. and closed after 6 p.m.,
12 because she had to drive 20 miles a day one
13 way. The cost of care for her, for her
14 preschooler and her school-ager, for just
15 summer camp, was \$11,200 a year. And this is
16 for a single mother that made too much to
17 receive any subsidies.

18 The second piece in our testimony
19 talks about the battles a childcare provider
20 is actually having: High rates of turnover,
21 paying staff just a little over a minimum
22 wage. Their staff themselves are on the
23 brink of financial ruin.

24 According to the 2017 report issued by

1 Childcare Aware of America entitled "Parents
2 and the High Cost of Care," as mentioned
3 before, New Yorkers pay an average annual
4 cost of \$15,000 a year for infant care, and
5 over \$10,000 for infant care in a family
6 childcare home program. It's unaffordable.

7 We are appreciative of the work that
8 is being done and do ask for, as referenced
9 before, the \$100 million. This would include
10 the maintenance or the restoration of the
11 \$7 million, which is wonderful but still is
12 not enough. We recognize that counties
13 regularly exhaust their childcare funding
14 allocations and are unable to influence -- or
15 meet the needs of new families.

16 We ask to reinstate the 75th
17 percentile, to establish reimbursement rates
18 that have been essentially flat-funded since
19 2015. Anecdotally, 59 percent of families
20 who care for young children participate in
21 some sort of public income support program.
22 Again, this goes to the fact that we aren't
23 able to pay our workforce enough.

24 We encourage you to look at the use of

1 economic development funding to reduce the
2 number of qualified families who were denied
3 subsidy, and we ask for you to take a look at
4 the child independent care tax credit for
5 maximum benefit. By adjusting this to be
6 allocated on a monthly or quarterly basis,
7 our low-income families who live paycheck to
8 paycheck might be able to receive money
9 throughout the course of the year.

10 As we begin 2018 with the Paid Family
11 Medical Leave Act, it's excellent -- we're a
12 leader in our nation. Parents are able to
13 stay home and bond with their children for
14 eight weeks. However, when they return to
15 work, the cost of childcare is something that
16 they cannot afford.

17 By supporting local government through
18 subsidies and more substantial tax credits,
19 New York can ensure that parents can stay
20 working while their children are learning and
21 growing.

22 Thank you for the opportunity to
23 provide you comments.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 SENATOR KRUEGER: Thank you.

2 CHAIRWOMAN WEINSTEIN: Thank you for
3 being here.

4 Next we have Elizabeth Powers,
5 Children's Defense Fund, director of youth
6 justice, and then to be followed by Jenn
7 O'Connor, Melanie Blow, and Chris Neitzey.

8 Thank you. Go ahead.

9 MS. POWERS: Hi. Thank you for the
10 opportunity to testify this evening.

11 I want to just reiterate two things
12 that really resonated with me that I've heard
13 today. One is that balancing the budget by
14 cutting services for the most vulnerable kids
15 is unacceptable. And the second is something
16 that Senator Savino said, that kids in
17 New York City are indeed in New York State.

18 So I'm with the Children's Defense
19 Fund, and we provide an independent voice for
20 all children who cannot vote, lobby, or speak
21 for themselves. And we pay particular
22 attention to the needs of poor children,
23 children of color, and those with
24 disabilities. And we are a lead member of

1 the Raise the Age New York campaign.

2 And I'm going to speak quickly to
3 three points that are of importance to us
4 this year. One is regarding Raise the Age.

5 So we are pleased with the inclusion
6 of \$100 million to implement Raise the Age in
7 the Executive Budget proposal. However, for
8 Raise the Age to be successfully implemented,
9 it's critical that all counties, including
10 New York City, have access to appropriate
11 funding across the entire continuum for which
12 young people intersect with the justice
13 system.

14 And Stephanie just clearly identified
15 the reasons that we think New York City might
16 be in jeopardy of not receiving this funding,
17 despite the fact they have nearly half the
18 arrests of 16- and 17-year-olds in the state.

19 This includes but is not limited to
20 funding for community-based alternatives,
21 probation, court resources, youth facilities,
22 with comprehensive services and programing
23 and training for all stakeholders in the
24 system.

1 And as a result of Raise the Age
2 taking effect, the majority of 16- and
3 17-year-olds will be processed through the
4 juvenile justice system as opposed to the
5 adult justice system. Thus the functioning
6 of the juvenile justice system, or Close to
7 Home in New York City, is critical in order
8 to absorb these older youth.

9 We're greatly alarmed at the
10 elimination of state funding for Close to
11 Home, New York City's juvenile justice and
12 aftercare program. The passage of Close to
13 Home marked a significant improvement in the
14 way New York responded to the needs of
15 justice system placed youth. Young people
16 now have access to evidence-based models and
17 programs in small home-like settings in their
18 communities. They're able to engage with
19 family for recreational purposes, such as
20 what Jim mentioned, but also for therapeutic
21 purposes like family therapy. They go to
22 Department of Education schools every day and
23 earn credits and take Regents exams. These
24 are things that were not possible in the

1 previous system.

2 And Close to Home represents an
3 incredible improvement in the way we respond
4 to young people, and we strongly support
5 reauthorization of Close to Home and urge
6 continued state reimbursement for this
7 program.

8 And the third thing I'll comment on,
9 in addition to Raise the Age and Close to
10 Home, is the preventive funding that we've
11 heard so much about. So while we're opposed
12 to the cap on the child welfare services and
13 preventative funding stream, and while this
14 is predominantly aimed at child welfare, this
15 stream also includes funding for preventative
16 services for youth at risk of entering the
17 juvenile justice system, such as alternatives
18 to placement, which are critical to ensure
19 that the numbers are not greatly increased
20 when Raise the Age is implemented.

21 So we urge you to reject the proposed
22 cap on preventative funding for New York City
23 to help ensure that youth can continue to
24 receive preventative services to keep them

1 from ever entering the justice system.

2 So just wrapping up, in conclusion, we
3 urge the adoption of a budget that includes
4 Raise the Age funding for all counties and
5 New York City, removes the proposed cap on
6 funding for prevention, reauthorizes Close to
7 Home, and restores state funding for Close to
8 Home. Thank you.

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 SENATOR KRUEGER: Thank you.

11 CHAIRWOMAN WEINSTEIN: Thank you so
12 much for being here today.

13 Is Jenn O'Connor here? I believe not.

14 Melanie Blow, Stop Abuse Campaign.

15 MS. BLOW: Thank you so much,
16 everybody, for having me here.

17 My name is Melanie Blow. I'm the
18 chief operations officer of the Stop Abuse
19 Campaign. My testimony is short, but I will
20 make it shorter.

21 Most of the things we have talked
22 about here today -- the Medicaid expenses,
23 foster care, homelessness, poverty,
24 et cetera, et cetera -- most of the things we

1 talk about every year are largely caused or
2 at the very least adverse childhood
3 experiences contribute to them. These are
4 10 childhood traumas after which, if somebody
5 experiences them, their life is different.
6 The ACEs affect the way a child's brain,
7 their endocrine system, their immune system,
8 their circulatory system, their DNA develop.
9 These are completely and utterly
10 life-altering traumas.

11 The good news is we can prevent them
12 to a large extent. Maternal home visiting
13 programs are our single best bet when it
14 comes to preventing these traumas. That's
15 the good news. The bad news is they're
16 available to 5 percent of eligible New York
17 families and we've been okay with that for
18 over a decade. These programs have been
19 flat-funded for over a decade.

20 We would never justify denying
21 children something that saves lives,
22 something that saves their potential,
23 something that increases their quality of
24 life throughout their life and that increases

1 their parents' quality of life throughout
2 their life, simply from lack of availability.
3 But we do this every year with maternal home
4 visiting programs.

5 These programs have been
6 flat-funded -- Healthy Families New York has
7 been flat-funded for more than a decade.
8 That means workers are being paid the same as
9 they were more than a decade ago. The price
10 of gas and everything else in the world is
11 not what it was a decade ago, so this is
12 horribly damaging for these programs.

13 We heard how important it is for
14 traumatized children to have stability in
15 their caregivers. The families who the home
16 visitors are working with, these are those
17 same traumatized children who've grown up a
18 little bit and become parents. They need
19 that stability too.

20 We are asking for an increase in
21 overall maternal home visiting. We are
22 asking for specific funding for two pilots
23 where everyone in a specific geographic area
24 would be able to -- every eligible parent

1 would have access. We don't have that right
2 now. But if we could get people in specific
3 zip codes, specific counties, et cetera,
4 et cetera -- every willing and eligible
5 parent, offer them a slot, get them going --
6 it would change school districts. You would
7 see what ACE prevention looks like in real
8 time, in a cohort. No one has ever done that
9 before. We need to start.

10 As we've heard for hours and hours
11 today, New York is not doing its children --
12 it's not making children priorities right
13 now. This is an incredibly significant
14 chance for us to help, to save taxpayer
15 money, to be efficient, to be intelligent,
16 and to do the right thing.

17 Any questions?

18 CHAIRWOMAN WEINSTEIN: Assemblywoman
19 Jaffee.

20 ASSEMBLYWOMAN JAFFEE: Thank you.

21 This is very interesting and very
22 important. When -- services that you
23 provide -- is this working?

24 MS. BLOW: I can hear you.

1 ASSEMBLYWOMAN JAFFEE: The services
2 that you provide, does that include mental
3 health counseling? Psychologists?

4 MS. BLOW: The home visitor refers the
5 parents to these services. And not just
6 refers like hands a pamphlet, but can say:
7 Okay, you know, you seem like you've got
8 postpartum depression, you really should get
9 treated for it.

10 And then since this person builds a
11 long-term relationship with the parent, they
12 come back the next week and they ask: Okay,
13 how's that therapy going? Oh, you haven't
14 enrolled? Well, what's -- they can provide
15 the motivation, often even the
16 transportation, often even help with the
17 logistics to get them to these things. They
18 can help with the bureaucracy of insurance or
19 whatever else these families need.

20 ASSEMBLYWOMAN JAFFEE: Well, is there
21 also an issue regarding access to mental
22 health services? Do we have -- my
23 understanding is there are a very limited
24 number of psychologists, those that provide

1 mental health services in our state.

2 MS. BLOW: There are. And that is an
3 issue. And mental health professionals
4 who -- I mean, we talk about that like
5 they're one-size-fits-all, and it's very,
6 very different.

7 Yes, mental health care is something
8 we need more of, absolutely. And these
9 programs can only, to some extent, can only
10 function as well as the community gives them
11 the opportunity to. If there is absolutely
12 no mental health care services, then these
13 families are going to be suffering because of
14 that.

15 But even when there are services,
16 there are individual barriers to going. And
17 those barriers can often -- are the
18 manifestation of the mental illness itself.
19 It's the stigma. It's, Oh my gosh, I've
20 never done this before, and I'm scared.
21 Which that sounds patronizing, but that
22 really is an issue, if anyone's ever gone to
23 therapy.

24 ASSEMBLYWOMAN JAFFEE: What is

1 required among those that do go to the homes?
2 What kind of -- do they have some
3 certification, if any?

4 MS. BLOW: I think with Healthy
5 Families New York -- I'll get back to you on
6 that. Health Families New York, which is the
7 biggest one, they're paraprofessionals. I
8 think everybody has a four-year degree. And
9 often, if they can, they recruit women who
10 have been through the program themselves,
11 women who have put their lives back together
12 and understand it and then they get specific
13 training in working with these women.

14 ASSEMBLYWOMAN JAFFEE: I'd like to
15 follow up and have a further conversation
16 with you regarding this service, because it
17 is essential. There are so many youth that
18 are really being impacted, and they need the
19 kind of support that you're mentioning.

20 MS. BLOW: Yeah.

21 ASSEMBLYWOMAN JAFFEE: So I'd like to
22 follow up.

23 MS. BLOW: Info@stopabusecampaign.
24 That's me.

1 Anyone else?

2 CHAIRWOMAN WEINSTEIN: Yes.

3 Mr. Hevesi.

4 ASSEMBLYMAN HEVESI: I too would also
5 like to chat with you to follow up.

6 First, I'm a big believer in the
7 two-generation programs and the
8 two-generation models --

9 MS. BLOW: I can't hear you clearly.

10 ASSEMBLYMAN HEVESI: Oh, I'm sorry.
11 I'm a -- wow -- is this better?

12 MS. BLOW: Yes.

13 ASSEMBLYMAN HEVESI: First, I'd like
14 to chat with you offline like Assemblywoman
15 Jaffee.

16 MS. BLOW: Absolutely.

17 ASSEMBLYMAN HEVESI: I'm a big
18 believer in the two-generation programs.
19 Also I have a bill about the intersection of
20 ACEs and particularly executive function
21 skill sets for kids, so we should talk about
22 that.

23 MS. BLOW: Okay. Absolutely.

24 ASSEMBLYMAN HEVESI: And unless I'm

1 missing my guess, the intersection of ACEs
2 and social services policy is the next
3 untapped public policy area that we really
4 need to start exploring. That's the
5 ultimate preventive way to look at social
6 services. So we need to put our heads
7 together.

8 MS. BLOW: Yes. Absolutely.

9 And I agree 100 percent. The ACEs --
10 the science behind ACEs has been around for
11 20 years, but our policy structures have been
12 around longer. So it's a matter of who's got
13 the more inertia, you know.

14 But yes, absolutely.

15 ASSEMBLYMAN HEVESI: Yeah, I'd like to
16 break that inertia with you. Thank you.

17 MS. BLOW: Thank you.

18 CHAIRWOMAN WEINSTEIN: Thank you.
19 Thank you for being here.

20 Next we have Chris Neitzey, policy
21 director, New York State Network for Youth
22 Success. Followed by Reed Vreeland, director
23 of policy, Housing Works, followed by Gerard
24 Wallace and Ryan Johnson.

1 MR. NEITZEY: Good evening. Thank
2 you, Chairwoman Weinstein, and thank you,
3 Chairwoman Young, for the opportunity to
4 present testimony this evening.

5 I'm Chris Neitzey, policy director for
6 the Network for Youth Success.

7 I think I want to use my time -- and
8 I'll try to keep it briefer than five
9 minutes, but I want to use my time to focus
10 on one particular program that is an issue
11 area of ours, and that's the Advantage
12 After-School Program.

13 We are the statewide after-school
14 network, so we focus in on after-school
15 programs and summer programs. I want to, I
16 guess, back up to the commissioner of the
17 Office of Children and Family Services
18 earlier today mentioned that there was a
19 continuation of the Advantage After-School
20 funding in the budget.

21 That's not incredibly accurate. There
22 is continuation of funding; however, there is
23 a cut to that funding level from the previous
24 year's budget. Right now it's projected to

1 be a \$5 million cut from two years ago and a
2 \$2.5 million cut from last year.

3 What we're looking for in this year's
4 budget is a restoration of \$22.3 million,
5 which would be a \$5 million addition, but
6 that keeps us level with what our funding
7 level was two years ago.

8 If there is not a full restoration, we
9 will lose services, we will lose access to
10 high-quality programs in this year's --
11 starting next school year.

12 While last year's budget did include
13 an addition of \$35 million for the Empire
14 State After-School program -- that's the
15 Governor's initiative they put out -- that is
16 a highly targeted program. It was only
17 available to 35 school districts in the
18 entire state. We know there's around
19 700 school districts total, so it's
20 incredibly targeted.

21 Looking at the numbers of Advantage
22 After-School programs versus the Empire
23 State-eligible areas, there's 103 out of 177
24 Advantage After-School Programs that are

1 located outside of the Empire State
2 After-School programs target area. That is
3 around 9100 students out of the estimated
4 16,000 that are served. So around 60 percent
5 of those students served are located outside
6 of that area.

7 So we just want to draw attention to
8 that. There are distinct discrepancies
9 between the two programs. It's not the same
10 eligible areas in the Advantage Program
11 versus the Empire State After-School Program,
12 so we just want to draw attention to that.

13 Also, Senator Krueger actually asked a
14 really good question of the OCFS
15 commissioner, looking back to doing some math
16 there around the average per-student rate for
17 those two programs: 1375 per child for
18 Advantage, 1600 for Empire State, averaged
19 out to 14-something -- and I think it was
20 like \$8 a day that you came up with. And you
21 asked her, Is that enough money to run a
22 high-quality program?

23 No, it's not. We estimate, using the
24 Wallace Foundation -- it's a leader in the

1 out-of-school-time field -- the Wallace
2 Foundation's out-of-school-time cost
3 calculator, we come up with around \$2,300 to
4 \$4,000, depending on where you live,
5 depending on a cost-of-living adjustment to
6 those areas, as the median range for a
7 high-quality program.

8 So right now, we're funding those at
9 half the rates. We could certainly use
10 increased addition to the per-student rate.
11 However, we want to caution that if you're
12 going to raise the per-student rate, we need
13 to raise the overall funding level, because
14 what we don't want to do is cut slots for
15 children that are currently in programs.

16 So I think those are the two most
17 distinct points that we want to make, looking
18 to restore the Advantage After-School
19 Program, the \$22.3 million in this year's
20 budget, or else we will be looking at around
21 3,600 to 5,100 students at risk of losing
22 programs. And again, those are areas outside
23 of the current Empire State After-School
24 Program where those 35 school districts are

1 being targeted.

2 At a time like now, we should not
3 talking about taking away opportunities from
4 our children but, instead, thinking how best
5 we can support all of those children, all
6 across all different regions of our state.
7 We urge you to please restore that funding
8 for Advantage After-School in this year's
9 budget.

10 And thank you for your time. Happy to
11 take any questions.

12 CHAIRWOMAN WEINSTEIN: Thank you.

13 Assemblywoman Jaffee?

14 ASSEMBLYWOMAN JAFFEE: You do also
15 discuss childcare subsidies and the increase
16 of subsidies, and thank you for mentioning
17 that.

18 MR. NEITZEY: Absolutely.

19 ASSEMBLYWOMAN JAFFEE: We need to
20 obviously find a way to significantly
21 increase the funding for the subsidies so
22 that we have so many more of the children
23 being in a placement that is so significant
24 in terms of social skills and security as

1 well. And academic skills. But the parents
2 being enabled to maintain their -- in jobs.

3 So thank you for --

4 MR. NEITZEY: Absolutely. I think
5 it's also important to remember that about a
6 third of those childcare subsidies are used
7 for school-age children. It's not just for
8 younger children.

9 ASSEMBLYWOMAN JAFFEE: But if we're
10 putting them in an environment which is very
11 productive --

12 MR. NEITZEY: Absolutely.

13 ASSEMBLYWOMAN JAFFEE: -- and very
14 helpful. Thank you.

15 MR. NEITZEY: Thank you.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 CHAIRWOMAN YOUNG: Senator Krueger.

18 SENATOR KRUEGER: Hi. Thank you for
19 listening this morning.

20 MR. NEITZEY: Absolutely.

21 SENATOR KRUEGER: We were all here all
22 day -- the whole week.

23 So you can't really be running
24 after-school programs on an average of \$8 per

1 day. So how are you doing it? Are they
2 subsidizing with other money?

3 MR. NEITZEY: There are programs that
4 are running on that \$1,375 -- that is, there
5 are programs. It's not enough.

6 SENATOR KRUEGER: Yeah.

7 MR. NEITZEY: What you are --
8 sometimes those are bare-bones programs
9 because you can't afford supplies, you can't
10 afford enrichment activities to come into
11 those programs.

12 Some programs are able to charge a
13 small fee, weekly fee, if they're located in
14 an area where parents can pay. But a lot of
15 these programs are in very underserved
16 communities where the parents can't actually
17 always pay.

18 Sometimes, if you're a very fortunate
19 program, you can blend funding streams. You
20 can have Advantage programs run with
21 21st-Century Community Learning Centers --
22 that's the federal funding stream that flows
23 to the state level. Some programs are able
24 to leverage multiple funding opportunities.

1 But that's certainly more of an exception to
2 the rule.

3 Programs are doing it -- I think
4 sometimes they might be subsidizing their
5 staff salaries with other parts of their
6 budgets. Maybe not so much with the
7 Advantage funding, because they blow through
8 that pretty quickly.

9 SENATOR KRUEGER: Because we want
10 after-school programs to be quality,
11 providing supplemental education and arts and
12 other things. We don't just want a bunch of
13 kids to sit in a room and watch the TV for a
14 couple of hours, right?

15 MR. NEITZEY: We agree. Absolutely.

16 SENATOR KRUEGER: Thank you.

17 MR. NEITZEY: Thank you.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 CHAIRWOMAN YOUNG: Thank you.

20 CHAIRWOMAN WEINSTEIN: Next, from
21 Housing Works, Reed Vreeland, director of
22 policy.

23 MR. VREELAND: Hello, Senators and
24 Assemblymembers. Thank you so much for

1 hearing this testimony today.

2 My name is Reed Vreeland. I work in
3 the policy department in Housing Works, and
4 I'm someone whose mother died of AIDS. I'm
5 here today representing Housing Works --
6 which is a provider of medical care and
7 services for people with HIV and AIDS, as
8 well as housing and employment services --
9 specifically to talk about one issue. And
10 that is HIV rental is expanding, HIV rental
11 assistance, and the 30 percent rent cap
12 statewide.

13 Some of you might be familiar with the
14 fact that we have a statewide plan to
15 dramatically decrease or end the state's
16 HIV/AIDS epidemic by the year 2020. Two
17 years in a row, we have a 9 percent decrease
18 in new HIV diagnoses. But that has been
19 driven by New York City.

20 So New York City sees 9 percent, which
21 is a historic, revolutionary thing --
22 9 percent decrease year after year, so two
23 years in a row. But in 2016, the rest of the
24 state outside of New York City only saw a

1 1 percent decrease in new diagnoses.

2 And one of the big differences we're
3 seeing is lack of access to HIV rental
4 assistance and the 30 percent cap in upstate
5 New York.

6 We are pleased to see that there is
7 language in the Executive Budget that would
8 expand the HIV rental assistance and
9 30 percent rent cap outside of New York City,
10 but there are two very big problems with the
11 language in the budget. One is that it's not
12 a mandate. It allows local social service
13 districts to opt out.

14 And the second major problem is that
15 it caps the allowable rent at 80 percent of
16 fair market rent, and that's 20 percent lower
17 than anyone who needs this benefit can find
18 an apartment with. So if you're looking for
19 an apartment, you'll likely find a few at
20 FMR, but I think you will have a very hard
21 time finding anything appropriate for
22 20 percent below FMR.

23 So I want to really focus on a few
24 things in this testimony, and I do have the

1 written testimony to fill in the blanks for
2 you.

3 But I do want to go back -- so for a
4 person with HIV, housing is one of the
5 strongest determinants of effective
6 treatment, viral load suppression, and
7 mortality. So people are much more likely
8 to die of AIDS if they do not have housing.

9 Housing is also one of the biggest
10 causes of racial and ethnic disparities in
11 HIV health outcomes. So we see tremendous
12 racial and ethnic disparities with people of
13 color bearing the burden of the HIV/AIDS
14 epidemic, and providing that housing support
15 really does help reset and equalize that
16 burden.

17 So outside of New York City, 3,700
18 people with HIV are homeless or unstably
19 housed. So we have HIV rental assistance in
20 New York City, and they do offer at fair
21 market rent, but if you look at the state and
22 see that there's a lot of space outside of
23 those five boroughs, and there are homeless
24 people outside of those five boroughs -- and

1 right now they feel very ignored, they feel
2 very hurt that there's one standard for
3 New York City and another standard for them.
4 And they feel, quite frankly, like their
5 voices are not being heard.

6 A peer from Rochester, Pedro, told me
7 that being homeless felt to him like being a
8 wild animal. And he couldn't wash, he
9 couldn't take care of his basic needs, and he
10 certainly could not take his HIV meds. He
11 was homeless at 15 different times, and
12 finally did find stable housing and was able
13 to get back on track with his life. But many
14 people in areas like Rochester do not have
15 that same access to stable housing because
16 there's such an unmet need.

17 Another important thing to realize is
18 that this is actually not an unfunded
19 mandate. So in the budget, the state
20 Medicaid has scored -- through Medicaid
21 savings, they can allocate \$7,000 per person.
22 So because when somebody with HIV has
23 housing, they're less likely to go to the
24 emergency room and receive costly medical

1 care, \$7,000 per person can be taken from
2 Medicaid savings toward HIV rental
3 assistance.

4 So this money would go straight to the
5 districts' share. And since this is being
6 provided, we need to make it a mandate.

7 And we also cannot insult people with
8 HIV who are homeless and unstably housed
9 outside of New York City by saying that we're
10 going to put this in the budget, but we're
11 going to make it only 80 percent, to make it
12 basically a useless rental assistance,
13 because they're not going to be able to find
14 anything.

15 So I'm going to urge you to do two
16 things. One is to reach out to the
17 Governor's office and ask him to correct this
18 language in the 30-day amendments. Number
19 two is, if that does not happen, to make it a
20 public issue -- and you have people upstate
21 who will do that -- and put it in the
22 Assembly one-house and the Senate budgets to
23 correct those two quick fixes.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 MR. VREELAND: Thank you.

2 CHAIRWOMAN WEINSTEIN: Assemblyman

3 Hevesi.

4 Sit for a moment.

5 MR. VREELAND: Sorry.

6 ASSEMBLYMAN HEVESI: I have one

7 substantive question.

8 MR. VREELAND: Yes, absolutely.

9 ASSEMBLYMAN HEVESI: So first, thank
10 you for the emotional testimony that sort of
11 puts a face on it. I appreciate it.

12 Second, I totally agree with you about
13 the opt-in. No county's going to do it,
14 there's no chance.

15 But here's the substantive question.
16 So I asked the commissioner this morning this
17 specific question about what percentage of
18 the fair market rent standard was this new
19 subsidy, and she danced a little bit. I
20 never got 80 out of her. Did you get that
21 from the budget language? Because I haven't
22 seen that.

23 MR. VREELAND: The budget language,
24 yes, actually.

1 So the budget language specifically
2 says -- caps the allowable rent at 80 percent
3 of fair market rent, and there really is no
4 reason for that.

5 ASSEMBLYMAN HEVESI: Yeah, I --

6 MR. VREELAND: So especially because
7 the Medicaid savings will cover it, in
8 addition to the existing enhanced shelter
9 allowance.

10 So those two things together reaches
11 fair market rent in every county basically in
12 the whole state. So --

13 ASSEMBLYMAN HEVESI: I'm with you.

14 So I appreciate you bringing it to my
15 attention. I missed it, I think my guys
16 missed it, and I don't even think that the
17 fair market rent standard is a good standard.
18 I think it's incredibly low. If you only go
19 to 80 percent of that standard, nobody's
20 finding housing.

21 MR. VREELAND: Right.

22 ASSEMBLYMAN HEVESI: I think we're on
23 the same page. So we'll continue
24 conversations. But thank you for bringing

1 that to our attention.

2 MR. VREELAND: Great. Thank you so
3 much.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 Next, New York State Kinship
6 Navigator, Gerard Wallace, director, Ryan
7 Johnson, program development. I guess you're
8 one of the two.

9 MR. WALLACE: Committee chairs and
10 Assembly and Senators, thank you very much
11 for the opportunity to talk about kinship
12 care. I'm a one-issue guy. This is the only
13 thing I ever talk about. Some of you know
14 that already.

15 I am Gerard Wallace. I'm the director
16 of the Kinship Navigator. I've been the
17 director since its inception 11 years ago.
18 For seven years prior to that, I was at
19 Hunter College running the Grandparent
20 Caregiver Law Center. I've worked for AARP
21 as a consultant on this and with a number of
22 national organizations.

23 With me today was Ryan Johnson, but I
24 said, Ryan, go home, we have so little time.

1 And he would have been here to tell you some
2 stories about calls to our Navigator, but
3 please reach out to him if you're interested
4 in knowing more.

5 The Kinship Navigator covers all
6 62 counties in the state. We provide
7 information, education, and referrals. We
8 did 118 educational presentations last year,
9 mainly upstate; 3,300-plus callers; and over
10 50,000 web views. We also do advocacy on an
11 individual and on a state level.

12 Some of the work we do centers on
13 helping families stabilize when they first
14 take on children, and that involves telling
15 them about the public assistance child-only
16 grant, which is a specific grant around since
17 1950 that doesn't take into account the
18 caregiver's income, it is based only on the
19 income and the resources of children.
20 According to Chapin Hall, only 15 percent of
21 eligible families in New York State are
22 getting that grant. And we beat the national
23 average.

24 We also help with custodial issues.

1 There are a range of ways in which kin can
2 care for children, and all of it's pretty
3 obscure law. And to try helping them to make
4 the right decision, understanding the
5 difference between their authority, their
6 security, and keeping a child, what benefits
7 there are available to them, both federal and
8 state benefits, is really a mouthful. And we
9 do all that.

10 On our website, we have extensive
11 helping tools. We have over 50 legal fact
12 sheets. Just recently, as Assemblywoman
13 Jaffee knows, we've been working on
14 deportation. Parents who are going to leave
15 the country are going to leave their children
16 behind, and those children will become
17 kinship children. And we're working on ways
18 to enable them to leave children behind
19 successfully with the least amount of court
20 interference and the most amount of
21 opportunity to provide for them in a good
22 home environment.

23 Regarding the child-only grant, we
24 have extensive information on how to make out

1 the 29-page application. And there are
2 barriers to getting that grant that are
3 county-specific, and we deal with those
4 barriers and we advocate for folks to get
5 those grants in places where they run into
6 unfortunate circumstances.

7 Kinship care -- it refers to
8 grandparents, aunts and uncles, family
9 friends raising children. About 65 percent
10 of it is grandparents. How many in this
11 state? More than 200,000 children, according
12 to the census data and Kids Count. How many
13 of those kinship children are in foster care
14 with relatives? Less than 3,400. The simple
15 arithmetic is we may be looking at more than
16 295,000 children living with relatives, and
17 they're not in foster care.

18 Particularly today I want to mention
19 the heroin-opioid crisis that is really
20 strangling upstate New York particularly.
21 And I brought in my testimony, which I'm
22 really looking at pages 3, 4 and 5, some
23 information on it for you. If you turn over
24 to page 4, you'll see a laundry list of

1 recent articles published in national
2 publications, and I'll read you a few of the
3 headers here: Opioid crisis forces
4 grandparents to raise their grandchildren --
5 you can see the rest of them. I'm looking at
6 the clock, and I'd better go faster, right?

7 All right. So based on all that, and
8 the fact that the ACE factors, Assemblyman
9 Hevesi, are very high here -- there's CDC
10 data saying really extraordinarily high ACEs
11 for this population -- we have three
12 recommendations.

13 One is the Navigator wants to focus in
14 on the 40 rural counties where there is not a
15 kinship program and perform three new duties.

16 We want to collaborate with those
17 counties so that kinship families don't fall
18 through the cracks and we don't hear "CPS
19 gave me my grandson eight years ago, this is
20 the first time I found out there's help."
21 That's a quote.

22 We want to hire an attorney to help
23 with what we can do in consultations and
24 legal presentations, and we need more help to

1 get stronger online resources.

2 So there's dollars in here for our
3 program. We also hope that you would fully
4 fund the 22 local programs covering
5 22 counties, mostly in municipalities. They
6 do great work. The idea of getting a county
7 program in every county, it's a bigger lift.
8 So we think we're the only game in town for
9 the remaining counties.

10 Social Services Law 392. Assemblyman
11 Hevesi, Assemblywoman Jaffee, and Senator
12 Tedisco are looking at this. It requires the
13 county to provide information to caregivers,
14 but they don't do it. I'll give you a couple
15 of facts out of the New York State American
16 Bar Association report for child welfare
17 workers. Only 40 percent of child welfare
18 workers inform the way they're supposed to,
19 and only 30 percent of the judges in
20 Family Court ask the questions they're
21 supposed to regarding telling caregivers
22 about their options when a child is removed.

23 Regarding the public benefits, we had
24 a recent case in Rensselaer County that went

1 to court where a caregiver received benefits
2 for two years, she received food stamps, and
3 was never informed that she was eligible for
4 this grant. She lost out on \$430 a month for
5 that child, and for folks at a poverty level,
6 that's a lot of money. It's crazy that we're
7 only at 15 percent of eligible families
8 getting that grant.

9 I have one more statement and I'll be
10 done, okay? All right.

11 The last thing is diversion. It's a
12 big topic, way beyond the scope of what we
13 can talk about here. In New York State,
14 there is a -- there are statistics from OCFS
15 at the back, in Appendix A, showing the
16 relative placements upstate and showing the
17 amount that are diverted into something
18 called direct custody. You can read about
19 direct custody and the other ways children
20 don't go into foster care with relatives, but
21 sum and substance is that a significant
22 amount of the population is not getting the
23 services they probably qualify for.

24 Here's the last line. Thirty percent

1 of eligible -- 30 percent of relative -- in
2 New York City, 30 percent of foster care is
3 relatives. Upstate, it's 8 percent. Why?
4 We can talk about it later. Okay?

5 Thank you.

6 CHAIRWOMAN WEINSTEIN: Thank you for
7 being -- Senator Savino.

8 SENATOR SAVINO: Thank you. Thank
9 you, Gerry.

10 And you heard me earlier today ask the
11 commissioner about this, and she kind of
12 danced around it, but she's acknowledged in
13 my discussions with her that this is a
14 problem and that OCFS needs to crack down on
15 the counties and really get an accounting of
16 what they're doing with these young families
17 as they separate them. But you and I both
18 know that that's probably not going to happen
19 quick enough.

20 So I'm working on legislation to
21 actually direct caseworkers and social
22 workers to hand to a relative the Kinship
23 Navigator brochure, which will outline for
24 them any and all information that they're

1 entitled to so that these children that are
2 separated from their parents do get the
3 services that they need.

4 MR. WALLACE: We really would like to
5 see a referral to kinship programming so that
6 kids don't fall through the cracks.

7 SENATOR SAVINO: Yes. Absolutely.

8 MR. WALLACE: Thank you very much.

9 CHAIRWOMAN WEINSTEIN: Hold one moment
10 for -- Assemblywoman Jaffee has a question.

11 ASSEMBLYWOMAN JAFFEE: I want to thank
12 you, Gerry, for joining us here and for your
13 continuing work on behalf of the youth.

14 And I did also speak with the
15 commissioner today and mentioned the concern
16 about the counties not providing the
17 awareness about the possibilities of kinship
18 care, the support that's available, and also
19 foster care.

20 And so I'm hopeful that we can work
21 together, moving forward at this point with
22 the Senate, to be able to put in place some
23 language in legislation that would require
24 the counties to be more effective --

1 MR. WALLACE: We've got to do a better
2 job.

3 ASSEMBLYWOMAN JAFFEE: -- in terms of
4 the outreach. And I think that would
5 certainly be helpful, along with additional
6 funding that I know would be necessary.

7 MR. WALLACE: Thank you.

8 ASSEMBLYWOMAN JAFFEE: But thank you.
9 And thank you for coming to Rockland to
10 provide that kind of assistance for the
11 families in raising awareness -- the
12 possibilities of them -- they're leaving, you
13 know, and then leaving the children here.
14 And we'll be doing more of that.

15 MR. WALLACE: Thank you very much.

16 ASSEMBLYWOMAN JAFFEE: Thank you.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 And actually a number of people had to
19 leave, so I really appreciate that Anthony
20 Wells, the president of the Social Service
21 Employees Union Local 371, has stayed with
22 us. And you have our full attention.

23 PRESIDENT WELLS: I would never leave
24 Diane, never.

1 (Laughter.)

2 CHAIRWOMAN WEINSTEIN: Okay.

3 PRESIDENT WELLS: I've never left in
4 28 years, you know.

5 CHAIRWOMAN WEINSTEIN: You are our
6 last speaker, but we are all ears.

7 (Laughter.)

8 PRESIDENT WELLS: I'm the only person
9 standing between myself and dinner?

10 (Laughter; cross-talk.)

11 PRESIDENT WELLS: How are you?

12 CHAIRWOMAN WEINSTEIN: Good.

13 PRESIDENT WELLS: Good. So it's just
14 me, right? I've got you all to myself.

15 CHAIRWOMAN WEINSTEIN: You've got us
16 all to yourself.

17 PRESIDENT WELLS: Good. I'm not
18 reading that testimony, you all can read it
19 yourself.

20 I'm Anthony Wells. I'm the president
21 of Social Services Union Local 371 -- 18,000
22 strong. And we're Diane Savino's union.

23 Actually, I met Diane 28 years ago. I
24 was an organizer. She was driving me crazy.

1 I said you -- she'd go, "Hey, you, union guy,
2 come here."

3 (Laughter.)

4 PRESIDENT WELLS: I said, "Why don't
5 you get involved?" And 28 years later, here
6 she is with you guys.

7 First, let me commend you guys,
8 seriously. I commend you guys for the work
9 that you do. We take an awful beating all
10 the time. But your concern today -- I saw
11 the whole thing, and your concern and your
12 real concern came across. So I really thank
13 all of you.

14 Someone told you that all the
15 stakeholders are being involved. Well,
16 that's not quite true. Because the workers'
17 voice is not being heard. We're involved
18 somewhat, but not to a level that we should
19 be.

20 I represent juvenile counselors,
21 caseworkers for juvenile justice. I myself
22 started my own career in juvenile justice. I
23 started with the Juvenile Center back in
24 1980. I also worked for BCW. We represent

1 the counselors.

2 You, Diane, talked earlier about the
3 correctional officers' position on being
4 involved with Raise the Age. We actually
5 want to do this job. We think that our
6 members are best qualified to do this job
7 working with this population. They have been
8 doing it since the establishment of juvenile
9 justice back in 1980.

10 There's a couple of factors. First of
11 all, Diane's comments were right on time in
12 terms of these children of New York City are
13 also the children of New York State.

14 There's a double standard. When we
15 had conversations, they're making more
16 requirements of New York City than any place
17 else. For example, they pushed to move the
18 kids off of Rikers Island -- it's a great
19 push. But they're not having the same push
20 in other facilities. For example, the ones
21 in Valhalla, they're not being forced to move
22 on October 1st.

23 New York City is not ready for this
24 program. October 1st is not a real deadline.

1 They haven't picked a staff yet. They're
2 going to need special training. The
3 facilities, other than the one they talked
4 about in East New York, they're not ready.
5 There are two juvenile facilities -- we have
6 advised the city, hopefully you guys will
7 listen too -- you cannot commingle this
8 population, the juvenile population that you
9 already have. It is not a lot for OCFS, but
10 it's just not a practicality.

11 This population, the older population,
12 have been in a different setting, so they've
13 had different relationships. There are no
14 juveniles that are already in secure
15 detention.

16 So the city is working towards this,
17 but I think it's an unreal deadline. And
18 aside from the funding, I think this
19 Legislature and the Governor need to take a
20 look at the date. You don't want to
21 implement a program that's doomed to fail
22 because it is not prepared. There's no
23 programs in place. Once again, there's no
24 staffing. So you're going to train staff?

1 There's an issue about who's going to
2 supervise.

3 Diane showed earlier about civil
4 service issues. Correctional officers cannot
5 be in ACS. ACS, when we went to Corrections
6 two years ago to say we would want to do this
7 and work with these kids while they were at
8 Rikers, they didn't pick our -- they said,
9 Oh, you know, you're not in Rikers.

10 Well, you know what? We're prepared.
11 We pride ourselves, in our local union, on
12 being a conscience. We care about our
13 members, but we also care about our
14 communities. Our belief is that our members
15 live in communities. There's no separation
16 of the two.

17 You talked about, earlier, Close to
18 Home. Let's talk about child welfare.
19 BCW -- ACS -- went through a traumatic year
20 and a half a year ago. You could not pick up
21 a paper without the agency and particularly
22 the workers being vilified in the paper,
23 whether it was elected officials, whether it
24 was the mayor himself.

1 And I said to them, every elected
2 official, ACS is an agency made of people.
3 Who would want that job if every day you go
4 to work, all you hear about is how horrible
5 you are? I've been in this business
6 38 years. No worker has ever killed a child.
7 No worker.

8 And over the last year, the mayor, the
9 new commissioner, the union, and other
10 elected officials -- some of you in this
11 room -- have recognized what a difficult job
12 this is. And now ACS has turned itself
13 around.

14 There's two ways to deal with
15 caseloads, folks. One, you do policies that
16 work and get rid of some of that paperwork
17 that's redundant, that was meant to cover
18 your -- can I say that here?

19 SENATOR SAVINO: No.

20 PRESIDENT WELLS: I can't? I can't
21 say cover your ass here? Good. You got it,
22 right?

23 And you hire more workers. On Friday,
24 I'm going to an orientation. ACS is hiring

1 this month the largest ever, 200 workers.
2 They have a high attrition rate, over
3 23 percent. And now you want to say, as they
4 turn around, cut their budget, cut the
5 services for preventive?

6 We -- Jim Purcell was right on time.
7 There's not even a dichotomy now between the
8 public and the private sector. We're
9 together on trying to provide the most
10 effective services to this population.

11 ACS. When the merger came to merge
12 ACS -- I'm done, okay? Real quick. ACS-DJJ
13 should never have happened. It should never
14 have happened. But it happened. And one of
15 the successful programs is Close to Home.
16 And now you want to cut that funding.
17 Doesn't even make any sense, as you heard all
18 day today.

19 So I'll say this to you, a couple of
20 things. You guys, the elected officials, you
21 know your responsibility. I'm not going to
22 tell you how to do your job. You know your
23 job. You care. Everyone here today told you
24 how bad this is. I have faith in you to

1 understand the issue and to fight for the
2 issue. I listened to you all day. I would
3 stay here until 9 o'clock with you, because
4 it's that important.

5 We actually need to look at this and
6 take the politics out of it. I understand
7 the politics too. We're not part of that
8 game. I told the city that, I told the
9 Governor that, I'll tell you. This union has
10 no interest in being a part of that political
11 game. No one gets helped by that political
12 game. These kids are being hurt enough.

13 Raise the Age is the right thing to
14 do, but you've got to do it the right way.
15 You do not cut child welfare when they're
16 finally getting on their feet and workers are
17 beginning to understand that change is
18 coming. And you don't cut a program that's
19 successful and say that's it.

20 I thank you for your time. I do
21 appreciate it. And thank you.

22 SENATOR SAVINO: Thank you.

23 CHAIRWOMAN WEINSTEIN: Senator Savino.

24 SENATOR SAVINO: Yes. Thank you,

1 President Anthony Wells, for sitting here all
2 day. I do appreciate it.

3 And the reason I reached out to you
4 last week is because I knew that the state
5 was on a fast track and that there was a
6 complete disconnect with the locality, after
7 having spoken to you and having spoken to
8 Elias from the corrections officers, and the
9 discussions I also had with the commissioner
10 of ACS, David Hansell.

11 The city is not ready, and --

12 PRESIDENT WELLS: No.

13 SENATOR SAVINO: -- if this program is
14 going to work, the workforce has to be
15 engaged and they have to be trained and there
16 has to be a clear delineation of who's
17 responsible for what aspect of the service
18 delivery. And that is clear after listening
19 to people today, that it's just not
20 happening.

21 And then of course, as you pointed
22 out, cutting the legs out from underneath the
23 programs by eliminating the funding will doom
24 them to failure. And at the end of the day,

1 we're not talking about widgets, we're
2 talking about kids. Whether they're young
3 kids or whether they're teenagers or whether
4 they're young adults, we're still talking
5 about children.

6 PRESIDENT WELLS: And we all agree.
7 Like I said already, we all understand it.
8 You sit in the position to be effective. And
9 that's the real -- I mean, I'm -- you know,
10 we provided ourselves on being straight
11 talkers. You know Charles Ensley, you know
12 us. Back to you. We come here, people come
13 here because you have the power and the
14 ability to make a change.

15 And I just hope that you do what you
16 feel is right for these citizens, downstate
17 and all over the state. Because our kids are
18 our future. You can't just say it, you got
19 to show you. And do how you show it? By
20 doing things that you know work.

21 So Diane, I appreciate the
22 opportunity. I'm happy that we're -- I'm
23 surprised that we are the only union. We to
24 spend more time up here because we need to

1 put faces to our names and understand who we
2 are. And we need to understand who you are.
3 So thank you for the opportunity.

4 CHAIRWOMAN WEINSTEIN: Thank you for
5 being here. Thank you for the work that all
6 of the members of your union do to help
7 protect the children in our city. Thank you.

8 PRESIDENT WELLS: We appreciate it.
9 Thank you very much.

10 CHAIRWOMAN YOUNG: Thank you.

11 SENATOR KRUEGER: Thank you.

12 CHAIRWOMAN WEINSTEIN: So this
13 concludes the joint budget hearing on Human
14 Services.

15 A reminder for anybody paying
16 attention that we have postponed tomorrow's
17 hearing on EnCon and Agriculture to
18 February 27th because of the weather. And
19 we'll be reconvening the joint budget
20 committee on Thursday, February 8th, on the
21 subject of taxes.

22 (Whereupon, the budget hearing
23 concluded at 6:17 p.m.)
24

