Schuyler Center for Analysis and Advocacy

Testimony
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Human Services
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The Schuyler Center would like to thank the chairs and members of the respective committees for the opportunity to submit testimony on the 2019-20 New York State Executive Budget. Since 1872, Schuyler Center for Analysis and Advocacy has advanced policies that strengthen New York families and improve child well-being so all New York children have a fair opportunity to thrive. Our priorities this year, as in the past, focus on strengthening families before they experience crises or trauma and preventing families from enduring hardships like ill-health, economic insecurity, child welfare involvement, or encounters with juvenile justice. Another overarching priority: ensuring comprehensive and strategic investment in our youngest New Yorkers, ages 0 to 3, when their brains and bodies are most rapidly developing, with impacts that can last a lifetime.

Schuyler Center leads and participates in several coalitions focused on children and families, including the Child Welfare Coalition; CHAMPS (Children Need Amazing Parents); the Empire State Campaign for Child Care; Winning Beginning New York; Ready for Kindergarten, Ready for College; Medicaid Matters New York; and a statewide workgroup on maternal, infant, and early childhood home visiting, which brings together State agencies, providers and advocates to strengthen coordination between and access to important dual-generation interventions.

For more about Schuyler Center and our work, please visit our website www.scaany.org.

OVERVIEW

New York State boasts the 14th strongest economy in the nation, yet we rank 31st in overall child well-being, and 39th in economic well-being.[1,2] More than one in five NY children live in poverty; with that rate rising to nearly one in three among children of color.[3,4] What this means is that more than **853,000 NY children** are living lives defined by deprivation. They live in homes where food, and heat are scarce, housing is unstable, transportation is unreliable.

In fact, the number of NY children experiencing economic insecurity is much greater than the poverty rate suggests. Nearly all experts agree, that families do not approach economic security until they hit 200% of poverty. (To make that tangible, 200% of poverty is a family of 4 with a household income of $50,200). Four out of ten New York children live below 200% of poverty. This means 40% of NY children live in families that are one car repair, illness, or rent hike away from a financial crisis.

Notably, in most poor and near-poor families, at least one parent is working. Sixty-five percent of children in poor families have at least one parent who is employed at least part-time. This is the case because even with New York's rising minimum wage, a low-wage salary (annual full-time income at $15.00 an hour is approximately $25,000) does not cover basic costs, especially those associated with raising children.

Childhood poverty can contribute to numerous negative outcomes for children in all areas of their lives, including physical and mental health, educational achievement and child welfare, with effects that can last well into adulthood.[4,5,6] Thus, many of the tens of thousands of New York children that experience poverty and economic insecurity face challenges in all aspects of their lives; challenges they may carry with them for a lifetime.

With the economy humming and unemployment at record lows, complacency in the face of this level of child poverty is inexcusable. It is also bad public policy. It is well established that policies that shelter young children from harm and deprivation, and nurture solid developmental and educational foundations, have among the best returns on investment.

Unfortunately, absent from this Executive Budget proposal are any bold moves to provide these tens of thousands of families experiencing poverty or near poverty a pathway into economic security. Missing are significant investments in services proven to improve family economic security, strengthen families, and prevent child welfare involvement, like access to quality, affordable child care, evidence-based home-visitation, family strengthening programs and working family tax credits.

This Executive Budget proposes a few modest, but important new investments for children and families. One bright spot is the proposed new Family First Transition Fund that would support counties' efforts to recruit and support foster and kinship families in preparation for implementation of the new Family First Prevention Services Act. The Executive also proposes $26 million to go toward holding the rate New York State pays for child care subsidies at its current level, $2 million to support infant and toddler resource centers and $15 million in new investment in Pre-K.

Overall, this Executive Budget represents yet another missed opportunity, on the heels of nearly a decade of scant investment in children and families. Even the new investments noted above leave us far short of what is needed to mitigate the effects of poverty and generate opportunity.

CHILD WELFARE

The child welfare system serves some of the state's most vulnerable children and families. The system includes the Statewide Central Register (SCR), child protective services, preventive services, foster care, and adoption/post-adoption. The responsibilities placed upon the child welfare system are enormous and profound, and adequate resources are required if the system is to fulfill them.

2018 saw the passage of groundbreaking federal legislation: the Family First Prevention Services Act (FFPSA). This law makes prevention a priority while at the same time aiming to strengthen foster care supports for children who need it. FFPSA provides states and tribes the opportunity to use federal Title IV-E funding – the principal source of funding for child welfare services – to support mental health, substance use, and parenting programs that help keep families intact and out of the child welfare system. FFPSA encourages the placement of youth in family-based settings while reserving placements in group home care for children in need of clinical services. This federal law presents New York with a tremendous opportunity to bolster its preventive services and strengthen family-based foster care services – if the State fully opts into the law and fully implements it.

SUPPORT AND APPROPRIATELY FUND THE NEW FAMILY FIRST TRANSITION FUND

The **Executive Budget** proposes a new Family First Transition Fund that would support counties' efforts around recruiting and supporting foster and kinship families in preparation for implementation of the new Family First Prevention Services Act. We applaud and support this proposal.

While we look forward to better understanding the details of this proposal, we believe that the Family First Transition Fund is a crucial first step in improving state and local policies and practices related to recruiting, retaining and strengthening foster and kinship families and evaluating current use of residential care. Advancing this fund demonstrates that New York is not only serious about preparing the state for implementation of the federal Family First Prevention Services Act, but recognizes that the spirit and the intent of the law is a goal worth investing in: every child needs a family.

Schuyler Center urges the Legislature to support the Governor's proposal to create the Family First Transition Fund and ensure there is a clean funding line of at least $2.5 million in state investment.

STRENGTHEN PREVENTIVE SERVICES – INCLUDING IN COMMUNITY-BASED PRIMARY PREVENTION – TO KEEP FAMILIES STRONG AND INTACT

Preventive services are resources provided families that can allow children to remain safely at home by targeting the problems that are known to drive abuse and neglect, including substance use, mental health issues, poverty, and lack of parenting skills.

The new federal Family First Prevention Services Act (FFPSA) will allow states to seek federal reimbursement for **evidence-based preventive services**. To take advantage of this aspect of the law, each state needs to affirmatively opt into the prevention provisions, and take steps to prepare for implementation. New York has opted for a two-year extension to make this decision.

We urge New York to use this two-year period to prepare for implementing the prevention provisions, and then fully adopt them to help fund existing services, and to expand access to evidence-based preventive programs.

The **Executive Budget** proposes level funding ($635 million) for preventive, protective, independent living, adoption, and aftercare services, and again reduces the State share to 62% from

65% (as is written in statute). Localities use this open-ended, matched funding stream to pay for services that include child protective services and services to prevent children from entering, or re-entering, foster care.

The **Executive Budget** provides flat funding ($12 million) for the Community Optional Preventive Services (COPS) program, continuing to limit that funding to programs that were funded when the COPS program was cut in 2008.

The State should expand its investment in primary prevention – a more strategic approach to prevention that makes services available further upstream, before there is any documented risk of entry into foster care.

We urge the State to re-assume the 65% State share, as provided in statute, and to reserve that increased funding for community-based primary prevention services that reach families before there is a risk of removal to foster care.

RESTORE FUNDING TO THE FOSTER CARE BLOCK GRANT

In 2017-2018, the State's final budget cut the Foster Care Block Grant by $62 million, with $23 million targeted at New York City, eliminating State reimbursement for tuition costs for children in residential facilities, and the remaining $39 million in statewide cuts, as a reduction in the State's share of funding for foster care. Counties' child welfare systems already operate on tight budgets, leaving them to carry out one of the most sensitive and important government functions – investigating cases of child abuse and assuming custody for those children unsafe in their parents' care – with insufficient resources. And these cuts came at a time when parental opioid abuse is contributing to an increase in the number of children entering foster care.[5, 6]

The cuts were not restored last year and counties are still struggling to provide these critical services with reduced resources.

Schuyler Center urges the Legislature to restore funding to the Foster Care Block Grant to 2016-2017 levels so counties have resources needed to provide quality services to the children and young people in their care.

STRENGTHEN THE HOUSING SUBSIDY FOR FOSTER FAMILIES AND YOUTH

Each year approximately 1,300 youth age out of foster care.[7] As many as one-third of youth who age out of foster care experience homelessness, and many more experience unstable housing arrangements. Currently, youth and families involved in the child welfare system may receive a housing subsidy of up to $300 per month to help stabilize their housing. This amount has not changed since 1988. However, the cost of housing is substantially higher: the average cost of a one bedroom apartment in New York City is $2,750 per month,[8] and New York State's median monthly gross residential rent is $1,194 per household.[9]

Not only is the current subsidy allowance inadequate to ensure youth and families can afford housing, particularly given skyrocketing housing costs, other policy limitations prevent youth from using the housing subsidy. At present, the subsidy is only available to youth until they reach age 21. However, because New York extends foster care until age 21, this means that youth aging out of the system are unable to avail themselves of the benefit to assist them in their transition to independent living. Furthermore, restrictions make it difficult for youth to receive the subsidy while living with a roommate. For many young people, living with roommates is a practical financial decision and a means of finding important social supports.

The State should raise the monthly foster care housing subsidy allowance to $600 per month, increase the upper age limit eligibility from 21 to 24 so that youth who age out of foster care at 21 can avail themselves of the subsidy program for up to 3 years; and allow flexibility so that youth may have roommates.

FULLY FUND THE FOSTER YOUTH COLLEGE SUCCESS INITIATIVE TO SUPPORT YOUTH IN FOSTER CARE IN PURSUING HIGHER EDUCATION

Only two to seven percent of foster youth complete a two- or four-year degree. However, the best way to ensure that a youth will secure and retain good-paying employment in adulthood is a college education.[10]

The **Executive Budget** proposes $1.5 million in funding for the Foster Youth College Success Initiative (FYSI) to support youth in foster care to pursue higher education to graduation. This represents a $4.5 million cut compared to last year's final budget, when the Assembly added $4.5 million to the Governor's proposal, bringing the program to $6 million. This year, full restoration to $4.5 million is needed, along with the Governor's proposed $1.5 million, to support four cohorts of students through to successful completion of their course of study.

The State must fulfill its responsibility to the youth entrusted to its care and ensure they are prepared to lead independent and fulfilling lives by adding $4.5 million to the Executive's proposed $1.5 million ($6 million total) to support youth pursuing higher education who either are or have been in foster care. Funding at this level represents full funding for the program, supporting four cohorts each year.

STRENGTHEN KINSHIP GUARDIANSHIP ASSISTANCE (KINGAP) BY FUNDING IT AS A PERMANENCY OPTION OUTSIDE OF THE FOSTER CARE BLOCK GRANT

A relative is a preferred caregiver for children who are removed from their birth parents because such placements help to maintain connections to family and culture. The state should provide robust funding for programs that support families willing to step in and care for young relatives when the parents cannot.

The **Executive Budget** continues to fund the Kinship Guardianship Assistance Program (KinGAP) through the Foster Care Block Grant (FCBG), thereby diverting scarce funds from critical programs that aid foster youth, to fund a program that is not foster care, but a permanency option. This diversion of funds is particularly problematic given the sharp cuts to the Foster Care Block Grant in 2017-2018. In 2011, New York implemented KinGAP using funds from the FCBG, with the intent to use the FCBG for a period of just one year, but KinGAP continues to be funded through the block grant. Although the number of children in foster care has declined, the health and service needs of the children who are in care are significant and costly. The FCBG funds must be preserved to meet their needs.

Relatives in approved or certified foster care settings can apply for KinGAP when both adoption and family reunification are ruled out. Many of these families need financial assistance to continue caring for a foster child in their home. With this option, kin families can exit the foster care system and continue to receive financial support while still caring for the relative child.

Schuyler Center urges the Legislature to fund the Kinship Guardianship Assistance Program as an uncapped permanency option <u>outside</u> of the Foster Care Block Grant to incentivize more counties to use this important permanency option.

RESTORE FUNDING FOR KINSHIP CAREGIVER SERVICES AND THE KINSHIP NAVIGATOR PROGRAM

Hundreds of thousands of children in New York are in informal kinship arrangements,[11] and the number of children entering into direct custody arrangements with kin has been steadily increasing over the last five years.[12] Kinship Caregiver programs offer important supports and services to kin, a majority of whom are grandparents, who care for their relatives' children in their household outside of the formal foster care program, and often with extremely limited resources. Relative caretaker programs provide information about family members' rights, support to meet children's education and health care needs, and assistance with obtaining health and social service benefits. For as little as $510 per child per year, these programs are far less costly than foster care placement.

The Kinship Navigator is a statewide resource and referral network for kinship families, providing information and connections to important resources.

Two issues facing New York and the nation continue to make investment in these supports of critical importance this year: the rise in parental opioid use, and the federal administration's aggressive and indiscriminate policy of deporting immigrants – including hard working parents of U.S. citizen children. As noted above, parental opioid abuse has led to a substantial increase in the number of children entering foster care, and being cared for by kin across the nation, and certainly in some counties in New York, although the data is incomplete.[13, 14]

Furthermore, the federal administration has dramatically increased deportations over the last two years, and no longer engages in selective enforcement, meaning that immigrants with no criminal history other than immigration-related infractions are targets. The rate of deportations increased by 13% in FY 2018 as compared to FY 2017.[15] This means that all of the children in the more than 250,000 New York families in which one or both parents is unauthorized are at risk of separation from their parents due to immigration detention or deportation.[16] Many children separated from parents due to parental detention or deportation will end up in the care of relatives or close family friends. Providing kin caregivers information and supports through kinship caregiver programs might enable more of these children to remain safely with kin, and speed up reunification with parents, when that is possible and appropriate. These programs require secure, stable, and sufficient funding to support kin caregivers.

The **Executive Budget** proposes funding for kinship caregiver services at $338,750. This is a cut of $1.9 million from last year's final budget. Last year the Assembly added $1.9 million.
The **Executive Budget** also proposes $220,500 in funding for the statewide Kinship Navigator information and referral network. This represents a cut of the $100,000 the Assembly added to last year's budget.

Schuyler Center requests that the Legislature restore funding for Kinship Caregiver programs to $2.3 million by adding $1.9 million and restore funding for the Kinship Navigator Program to $320,500 by adding $100,000 to ensure that the maintenance of kinship support services in the coming year.

FUND POST-PERMANENCY SERVICES

The **Executive Budget** includes a $7 million investment, funding that comes from adoption assistance savings, for post-permanency (including adoption and guardianship) services. This would amount to level funding compared to last year's final budget. The state's responsibility to children in foster care and families should not end if a child is adopted. Many children in foster care have significant emotional, mental and behavioral health issues due to childhood trauma, and therefore require additional services and supports. Adoptive parents who are unable to find the appropriate supports their child and family needs may be forced to dissolve their family and place their child in foster care, which hurts families and is more costly to the state.

Schuyler Center urges the Legislature to maintain $7 million for post-adoption services.

RESTORE FUNDING FOR CLOSE TO HOME

In 2017-2018, just as New York City was planning for Raise the Age implementation, which will cause an influx of 16 and 17-year-olds into their juvenile justice system, the Executive Budget proposed to reauthorize, but cut all State support for Close to Home, New York City's successful juvenile justice program that places youth in small, residential facilities with evidence-based programing near their homes, enabling more family engagement such that youth do better when they return home. At that time, the state provided $41.4 million annually to this program.

State support for Close to Home facilities and state reimbursement for some alternatives to detention through the preventive services funding stream helped New York City successfully implement a trauma-informed juvenile justice system, including evidence-based and evidence-informed models, family engagement, high-quality education, health and behavioral health services, and thorough aftercare support. Since implementation in 2012, New York City has seen juvenile arrests drop 52%, detentions drop 37% and placement admissions drop 77%.

Schuyler Center urges the Legislature to restore the $41.4 million of state funding for Close to Home that was cut in 2017-2018.

EARLY CARE AND LEARNING

It is widely recognized that the earliest years of a child's life are extremely important for health, development and learning that can last a lifetime. A strong early start is a major predictor of future success and is particularly important to mitigate disparities in health, education and other long-term outcomes.[17] Child care expenses are also a leading barrier to achieving family economic security, and a contributor to family poverty.[18]

SUBSTANTIALLY INCREASE INVESTMENT IN CHILD CARE TO EXPAND EQUITABLE ACCESS TO QUALITY CHILD CARE FOR MORE NEW YORK CHILDREN AND WORKING FAMILIES, AND A FAMILY SUSTAINING INCOME FOR THE CHILD CARE WORKFORCE.

For many families with young children, child care is their largest monthly bill. New York State ranks among the most expensive states for child care in the nation.[19] The average cost for full-time center-based care is $15,000 a year for an infant. The shortage of child care subsidies and other supports to help families cover these costs causes significant economic hardship to working New York families. Studies show that lack of access to child care causes many parents – overwhelmingly women – to drop out of the workforce for longer periods of time, sharply reducing family income for the period the caregiver is out of the workforce, and lowering future earnings and retirement savings.[20] Child care expenses are also a leading contributor to family poverty.[21] Yet, due to underinvestment in child care for low-income families, it is estimated that fewer than 20% of eligible low-income families who could benefit from receiving subsidy assistance from New York State receive it.[22]

Even for middle-income families who can cover child care costs, many cannot find quality care in their communities. More than 64% of New Yorkers live in child care deserts, meaning that they live in a community with no child care, or so few providers that there are more than three children for every licensed child care slot.[23] The shortage is particularly severe for infants and toddlers. It is estimated that there is one licensed spot for every seven infants or toddlers who may need care.[24]

The shortage of quality, affordable child care not only causes New York families and children to suffer economic hardships, it also hurts New York's businesses and its economy. Indeed, the U.S. Chamber of Commerce Foundation last year issued a compelling report making the business case for expanding access to quality child care, and calling upon business leaders to champion investment.[25] The lack of access to affordable, quality child care causes businesses to suffer decreased productivity as a result of employee absenteeism and higher rates of turnover.[26] Companies in the United States lose over $3 billion annually as a consequence of child care related issues, predominately absences due to a lack of accessible child care.[27]

Child care as an industry can be an economic driver. In New York, industry revenue combined with spillover effects (additional spending in the community) has a $6.8 billion impact on the economy.[28] And, the industry is mostly composed of small, often women-owned, businesses. The economic impact of the industry would be even greater if more of the child care workforce was paid a living wage. Child care educators caring for New York's youngest are paid wages that leave them living at or near poverty without benefits, and can undermine quality due to high turnover and the stress of economic insecurity.[29]

We appreciate that the Executive Budget includes $26 million to hold the child care subsidy reimbursement rate at the 69th percentile of market rate outside of New York City. This investment is important – without it the reimbursement rate would drop such that more providers would be forced to turn away low-income families utilizing subsidies, or close their doors because they cannot cover rising costs. We also applaud the Executive Budget's investment of $2 million to expand the Infant-Toddler Resource Network, which provides critical training and supports to providers serving our youngest New Yorkers. We also welcome the Governor's proposal in the State of the State Book to require the state's Regional Economic Development Councils to prioritize child care in their 2019 plans and to launch a child care worker scholarship.

However, these modest investments and policy proposals do nothing to expand access to quality care to the thousands of families currently unable to access child care assistance. At best, they may keep some providers in business for another quarter or year, maintaining the same or similar capacity. The lack of substantial investment stands once again in sharp contrast to the Executive Budget's proposed generous investments in economic development and threatens to undermine efforts to bolster the economy. A requirement that Regional Economic Development Councils prioritize child care is no guarantee that any of the hundreds of millions of economic dollars will ultimately flow to the child care system. Access to quality child care reduces barriers to employment and improves the productivity and quality of the workforce in the short- and long-term.

Another positive, but insufficient investment: the Executive Budget includes $15 million in new funds for Pre-K. While this investment is welcome, it leaves the majority of four-year olds outside of New York City without access to full-day pre-K. Underinvestment in Pre-K has a ripple effect on child care because more than half of Pre-K services are offered in community-based settings. This strategy is effective in that it leverages existing resources, and better serves the State's working families who often need extended hours and year-round care. Many also serve infants and toddlers, creating the capacity to build a system of stable, continuous care and learning that experts say can most benefit young children.

However, an under-investment in Pre-K can mean the closure of community child care providers, resulting in fewer child care providers. So, too, underinvestment in child care subsidies can have the same effect on Pre-K, making it harder for districts to find suitable settings for Pre-K programs. We urge robust investment in both child care and Pre-K to provide a continuum of quality care and learning for New York's children and families.

Finally, while we applaud the state's convening of the Child Care Availability Task Force and believe this Task Force can play a critical role in significantly expanding quality, affordable child care, this task force only began its work in December 2018 – a month after the first report of the task force was due. New York children and families, along with child care providers and educators, need new investment in child care this year to keep the providers' doors open, parents working, and children learning.

Schuyler Center is a founding member of the Empire State Campaign for Child Care *Winning Beginning New York*, and Ready for Kindergarten, Ready for College, which together represent more than 70 organizations – advocates for children and families, child care providers, parents, faith and union leaders – from across the state, and are committed to achieving equitable access to quality child care for all New York children and working families that need it.

Schuyler Center, along with Empire State Campaign for Child Care, Winning Beginning New York, and Ready for Kindergarten, Ready for College, urge the Legislature to support an additional investment of approximately $100 million in child care subsidy funding in the 2019-20 State Budget to restore subsidy slots lost due to escalating costs, including covering the state's rising minimum wage, and to increase the number of children served. Specifically, the Legislature should:

Increase State funding to counties for child care subsidies and program operation to expand equitable access to quality child care to more working families.

- ***$51 million would restore the child care subsidy program to the level attained in 2016 – the highest in recent years – adjusting for four years of inflation;***
- ***$18 million to improve quality and increase slots dedicated to serving infants and toddlers by at least 1,000, add an additional $500,000 to the $2 million proposed in the Executive Budget expand the Infant-Toddler Specialist Network, and $2.5 million to train and recruit new providers to the field;***
- ***$26 million to revise the copayment formula so that no family receiving a child care subsidy contributes more than 20% of its gross income exceeding the poverty level as the parent share while maintaining the number of families receiving subsidies; and***
- ***Funds to enable all counties to maintain updated subsidy waitlists.***

Increase State funding to stabilize the child care workforce and infrastructure by reinstating the 75^th^ percentile formula for setting reimbursement rates, and increasing funding to cover those costs. The Executive Budget proposes $26 million to hold the reimbursement rate to the 69^th^ percentile outside of New York City. This is a positive step, but not enough to keep struggling providers across the state in business, nor to allow them to pay their workforce a living wage.

Ensure immigrant families have access to quality child care. Implement comprehensive, culturally and linguistically responsive outreach and education to immigrant communities to ensure that immigrant families understand their rights with respect to public benefits and to mitigate barriers to accessing those benefits, including to quality child care.

Strengthen the child and dependent care tax credit to better reflect the true cost of care.

EXPAND AND STRENGTHEN EVIDENCE-BASED MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING

Maternal, infant, and early childhood home visiting is recognized across the nation as a uniquely effective approach to family strengthening, with myriad benefits to children and families' health, well-being and economic security. Home visiting has been proven to improve birth outcomes;[30] increase high school graduation rates for children who received home visiting services while young;[31] increase workforce participation and lower rates of welfare dependency;[32] and reduce instances of child maltreatment.[33, 34] And, home visiting has been proven a cost-effective intervention that yields tremendous savings over the lifetime of children in the form of lower health care costs and improved earnings as adults.[35]

Yet, New York State has for years failed to make a substantial investment in these programs. As a result, fewer than five percent of New York children ages 0 to 5 in families with income below poverty live in communities with access home visiting. We are pleased that last year's Executive Budget supported a recommendation from the First 1,000 Days on Medicaid initiative focused on universal access to home visiting in New York State. This support is ongoing this year.

The **Executive Budget** proposes $3 million in funding for the Nurse-Family Partnership program, level funding compared to the last several years. The budget also includes funding for Healthy Families New York at $26,162,200, an increase of nearly $3 million over last year. No funding was proposed for Attachment Biobehavioral Catch-up, Parents as Teachers, Power of Two, or the Parent Child Home Program. These programs operate in New York but need State funding to expand existing services and eliminate waiting lists.

The Schuyler Center coordinates the statewide Home Visiting Workgroup, composed of child welfare, health and education advocates, and home visiting programs. This year the evidence-based home visiting models came together to develop a joint request for funding that would enable additional investments in proven home visiting programs.

Schuyler Center urges the Legislature to increase State investment in home visiting to by $million to maintain existing programs and expand services to more families. Specifically, to support home visiting programs and infrastructure, we request the following investments:

- ***Parent Child Home Program: Invest $2M to bring the program to currently unserved areas.***
- ***Parents as Teachers: Invest $3M to reduce waiting lists at current sites and expand to currently unserved areas.***
- ***Healthy Families NY: Adopt the Executive Budget's proposed new investment to serve more families annually.***
- ***Nurse-Family Partnership: Invest $3M more to enable growth in underserved communities.***
- ***Power of Two: Invest $1.5M to help 800 children in New York's vulnerable communities reach their full potential***
- ***Invest $200,000 in the NYS Home Visiting Coordination Initiative which aims to provide cutting-edge information, build cross-program relationships, and offer additional opportunities for cross-systems operations.***

FAMILY ECONOMIC SECURITY

We mention the State's child tax credit and earned income tax credit in our Human Services testimony because families that receive tax relief that provides additional resources to invest in their children will rely less on State-funded human services.

CHILD TAX CREDIT

The Empire State Child Credit provides eligible taxpayers a refundable credit equal to 33% of the federal child tax credit or $100 per qualifying child, whichever is greater. While New York is a leader in the nation in offering a refundable child tax credit, the State credit contains a significant flaw: it excludes children under age four from eligibility – the very group that is most severely impacted by poverty, and would most benefit from receiving a credit.

Strengthening the Empire State Child Credit by covering and bolstering the credit for young children would complement and build upon other state efforts to support our youngest New Yorkers, including the first-in-the-nation First 1,000 Days on Medicaid Initiative. Further, because the Empire State Child Credit is one of a very few supports available to the many hard-working mixed status immigrant families, it is particularly important for these families that their youngest children are covered.

The **Executive Budget** does not include an expansion of the Empire State Child Credit.

Schuyler Center urges the Legislature to fix the flaw in the Empire State Child Credit by including children under age four, and doubling the credit for these very young children.

EARNED INCOME TAX CREDIT

The state's Earned Income Tax Credit (EITC) provides eligible taxpayers with children a refundable credit equal to 30% of the federal child tax credit. Non-custodial parents are also eligible for a credit, along with most childless adults – although this credit is considerably smaller.

One group that is completely excluded from the federal and state EITC are young childless adults ages 18 to 25 at exactly the period in their lives when they are struggling to gain their footing in the workforce and build a nest egg for a future family. The poverty rate for young New York adults is 20%, far exceeding the 14% poverty rate for New York State overall.[36]

The **Executive Budget** does not include expansion of the EITC.

Schuyler Center urges the Legislature to expand and strengthen the state's EITC by (1) increasing the percentage of the federal credit paid to families from 30% to 40%; and (2) expanding the credit for young adults without children (under age 25) who are currently ineligible for either the federal or state credit.

PREPARATION FOR THE 2020 CENSUS

We mention New York's preparation for the 2020 Census in our Human Services testimony because so many services that are vital to the well-being of low-income New Yorkers are allocated from federal and state funds, depending upon census data. Also of critical importance is that New Yorkers receive their fair representation, also determined by the Decennial Census.

In 2010, New York experienced a significant undercount, particularly in some "hard to count" communities, including immigrant communities, densely populated cities, and children under age five. Due to the current climate of distrust in the country, particularly among immigrants, along with other complicating factors, there is real concern that New York could experience an even greater undercount in 2020 than it did in 2010.

Specifically, every year, more than $53 billion in federal funds is allocated to New York and localities based on Census data either directly or through Census population estimates or surveys that in turn rely on the Decennial Census. This includes $6.7 billion for programs that benefit children, such as Medicaid, the Children's Health Insurance Program (Child Health Plus), education grants, Head Start, foster care and child care assistance.

However, for many reasons, young children in New York and nationally are historically undercounted in the Census. An undercount could lead to a significant cut in programs that New York children and families rely upon. It could also lead to a loss of representation for New Yorkers in Congress and beyond, and distorted, inaccurate data. And, the impacts of an undercount, the amount of which is determined based on

Schuyler Center is part of a statewide coalition, *New York Counts 2020*, which is comprised of more than 100 racial, ethnic, labor, immigrant, religious and human services organizations, working in partnership with state and local officials, to maximize all New Yorkers' participation in the census. New York Counts 2020 has called upon the State to invest a minimum of $40 million in this State Budget to support trusted community based organizations (CBO) in efforts to engage residents in "hard to count" communities to participate, and be counted, in the 2020 Census.

The Schuyler Center urges the Legislature to invest at least $40 million this year to enable CBOs to engage New Yorkers across the state to ensure as full and fair a count as possible. Significant state funding is needed this year; next year will be too late to engage in the preparations necessary before the count begins.

AN EQUITABLE, WELCOMING NEW YORK

Essential to creating an equitable, welcoming New York, is placing the well-being of our children and families at the very center of New York State leaders' policy agendas. We urge the Legislature to place a special focus on programs designed to aid families in achieving economic security, providing children a strong early start, and reducing inequality and deprivation, by supporting the recommendations in this testimony as steps toward laying more stones on the path of opportunity for all of New York's families and children. Adequately funding these programs will not only enable more New Yorkers to achieve their potential and thrive, but will also yield significant cost savings down the road.

Thank you. We appreciate the opportunity to submit testimony and look forward to continuing to work with you to build a strong New York.

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