



**Office of Children  
and Family Services**

**LEGISLATIVE FISCAL COMMITTEES'  
JOINT BUDGET HEARING  
SFY 2022-23 Executive Budget  
Human Services  
Sheila J. Poole, Commissioner**

**Wednesday, February 2, 2022**

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**State Fiscal Year 2022-23 Executive Budget**  
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**New York State Office of Children and Family Services**

Good morning, Chairs Krueger and Weinstein, Children and Families Committee Chairs Brisport and Hevesi, and distinguished members of the Senate and Assembly. I am Sheila Poole, Commissioner of the New York State Office of Children and Family Services (OCFS). Thank you for the opportunity to present Governor Hochul's Fiscal Year 2023 Executive Budget as it relates to OCFS.

As a result of the State's currently strong fiscal position – a refreshing change from recent years – this year's Executive Budget includes a number of new, fiscally prudent investments that provide much needed support for OCFS's core child welfare, child care and juvenile justice programs. Beyond what is proposed for OCFS, we are very excited to see investments in other budget proposals regarding gun violence prevention, mental health, workforce, substance use and social equity. Taken together as a whole, this ambitious agenda holds great promise for improving the lives of the state's children, youth, and families.

Last year, New York received a historic amount of federal stimulus funding for child care that has enabled us to expand access to children, lower costs to families, and provide stability for our struggling providers. The enormously successful stabilization grant program has awarded \$900 million to almost 15,000 providers with over \$767 million dollars already fully paid out. In addition, we have provided \$80 million in child care scholarships for 12 weeks of care to over 41,000 children of New York's essential workers, and \$35 million has been allocated to enable an additional 1,000 providers to participate in QualityStarsNY.

I am pleased to report that phase one of the \$100 million child care deserts grant opportunity was launched last Friday. As many of you know, over 60 percent of the state is considered a child care desert, meaning there is not enough child care for the families in that area. This unprecedented investment is an opportunity to address longstanding capacity challenges across every region of the state. OCFS, in collaboration with the statewide network of Child Care Resource & Referral Agencies (CCR&Rs), Regional Economic Development Councils (REDCs), and other stakeholders, has launched a comprehensive outreach and media campaign to promote this opportunity, as well as to provide information and support to grant recipients.

Funds made available in last year's federal stimulus package also enabled the state to begin implementing a number of critical long-sought policy changes in child care: we capped parent co-pays at 10 percent; we established a 12-month eligibility period for families receiving a child care subsidy; we are providing payments to providers for a minimum of 24 child absences per year; and we guaranteed subsidy eligibility for families up to 200 percent of the federal poverty level. The Executive Budget Financial plan assumes the cost of these important initiatives in future years, after the stimulus funds have been depleted.

We have made great progress over the past nine months but, as you know, there's always more work to be done. The challenges facing our entire nation concerning child care led to sweeping proposed child care investments in the Build Back Better legislation. Needless to say, I am sure you share my extreme disappointment in Congress' failure to pass this bill and, in the absence of true federal partnership, Governor Hochul's Executive Budget takes responsible steps to build on the progress of the past year in several meaningful ways.

In addition to supporting child care subsidies for approximately 132,000 children by maintaining the New York State Child Care Block Grant at \$832 million, the budget would expand access to subsidies for many thousands more children by increasing the eligibility level to 300 percent of the federal poverty level over three years. Additionally, the budget includes \$62.5 million this year, and \$125 million in future years, to ensure that the state can continue serving the same number of families when new market rates take effect later this year. And, in recognition of the vital importance of our child care workers, whose work is undervalued, the budget also invests \$75 million for wage supports for this essential workforce.

The Executive Budget includes legislation that will modernize and significantly boost foster care maintenance rates and remedy years of inequity by requiring that local departments of social services pay the full foster care rate that is established by the state. Because adoption subsidy payments are based on foster care maintenance rates, nearly 25,000 families with adopted children will also benefit from these actions. These changes represent tremendous progress for child welfare and will assist in the recruitment of foster families.

The 5.4 percent human services COLA that is included in this year's budget will also benefit the families and voluntary agencies who care for New York's children in foster care, and for adoptive parents.

The budget also proposes to extend the current child welfare financing structure for an additional five years. Child Welfare Financing Reform established a financing system that has improved outcomes for families and greatly contributed to a reduction in the state's foster care caseload from over 50,000 children in the 1990s, to a little over 14,000 today.

New York's highly regarded home visiting program, Healthy Families NY, currently serves 6,000 families. Despite its proven success in helping families achieve positive outcomes, only 37 of New York's 58 local departments of social services currently operate home visiting programs due to years of flat funding. To expand the reach of this evidence-based, primary prevention strategy, this year's budget invests an additional \$11 million in the home visiting program. This increase will bring total state support to \$41.5 million and will allow the program to serve an additional 1,600 families across the state.

This year's budget will also have a meaningful impact on the lives of New York's runaway and homeless youth. To better enable us to meet the needs of this vulnerable population, the budget increases funding for runaway and homeless youth programs by \$2 million – a nearly 45 percent increase from current funding levels. The budget also advances legislation to empower homeless youth to consent to their own medical, dental, health, and hospital services. Without a parent or guardian to provide consent, accessing health care can be nearly impossible for these

youth. This proposal will, for the first time, provide these youth a clear pathway to meet their most essential health care needs.

This is truly a new day, and it is imperative that we seize upon this once-in-a-generation moment to make New York better, more fair, and more inclusive for the people that we serve. I hope I can count on your support.

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