



**Office of Temporary
and Disability Assistance**

**Testimony
Commissioner Daniel W. Tietz**

**Before the Legislative Fiscal Committees' Joint Budget Hearing
State Fiscal Year 2023-24 Executive Budget
Human Services**

**Monday, February 13, 2023
11:30pm**

Good morning, Chairpersons Krueger and Weinstein, Social Services Committee Chairs Persaud and Davila, and other members of the Senate and Assembly. I am Daniel W. Tietz, Commissioner of the Office of Temporary and Disability Assistance. I welcome the opportunity to speak to you today about Governor Hochul's 2024 Executive Budget and its impact on the important work our agency performs on behalf of New Yorkers.

OTDA supervises programs that provide economic and other assistance and support to eligible families and individuals. This includes helping New Yorkers living in, or near, poverty meet their essential needs and ensuring their economic security by providing opportunities for stable employment, housing, and nutrition. Our agency carries out this mission in cooperation with local social services districts and community-based service providers.

The Governor's budget maintains the essential funding of our agency's core programs, which serve the critical needs of millions of New Yorkers daily while making targeted investments for areas of particular need.

Beyond what is proposed relevant to OTDA's work, Governor Hochul's proposed budget includes many important initiatives that will undoubtedly improve the lives of the families and individuals our agency serves. The Governor's plan proposes groundbreaking investments in mental health care, child care, and housing, while focusing on reducing and preventing gun violence, and helping workers meet increased costs for household needs by indexing the minimum wage to inflation.

Significantly, the Executive Budget includes \$1 billion for OTDA to help New York City provide shelter and services to support asylum seekers who have been coming to New York in record numbers over the last year. This funding will help offset the costs incurred through New York City's shelter system and Humanitarian Emergency Response and Relief Centers.

The Governor's historic New York Housing Compact, which aims to build 800,000 new homes over the next decade, is a comprehensive and multifaceted approach to addressing the state's housing shortage.

On a related note, the budget continues the Governor's \$25 billion, five-year housing plan to create or preserve 100,000 affordable units, including 10,000 supportive housing units. OTDA's Homeless Housing and Assistance Program (HHAP), with \$128 million in the proposed budget, is a key part of this effort by funding capital projects that provide permanent supportive housing to families and individuals who have experienced homelessness. HHAP also is the only state resource for the development of emergency shelters, which often play a critical role in communities' comprehensive homeless services system. Supportive housing brings together permanent housing and tailored services necessary for individuals to achieve and maintain stable lives in the community. The budget also includes increased funding to support these critical services and ongoing operation of permanent supportive housing.

The budget also proposes changes to Public Assistance that will improve the economic stability and outlook of recipients, and increase access to education and training opportunities, by ending the requirement for education to be combined with other activities after 12 months of post-secondary education.

Additionally, the budget authorizes the disregard of income a Public Assistance recipient receives from participating in a qualified work activity or training program, when calculating their monthly benefit. It also provides for a one-time disregard of all of a Public Assistance recipient's earned income following job entry for a period of up to six consecutive months, provided that the recipient's total income does not exceed 200 percent of the federal poverty level.

These amendments will help ease the effects of any "benefits cliff" by strengthening the recipient's financial footing when they become employed, before their household is no longer eligible for Public Assistance due to earnings.

Unfortunately, we've been seeing instances here in New York, and nationwide, of thieves using skimming devices to copy Electronic Benefit Transfer (EBT) card and personal identification number (PIN) information from SNAP and Public Assistance recipients and steal their benefits. In December, thanks to New York's Congressional delegation, the federal government agreed to partially reimburse SNAP recipients whose benefits have been stolen. I'm pleased to say the Executive Budget includes language that will allow the state to reimburse Public Assistance recipients who have been victimized as well. This proposal will ensure that both SNAP and Public Assistance recipients can be reimbursed up to the lesser of the full amount stolen, or the amount of assistance provided during the two most recent months prior to their benefits being stolen.

The Governor is also committing \$18 million in this coming year, growing to \$37 million on an annual basis, to launch a new Youth Opportunities Program that will augment the Summer Youth Employment Program during the school year, providing year-round, part-time employment to an estimated 2,500 youth. This program will operate in localities that have experienced high rates of violent crime. Additionally, there's a \$1 million increase for the Summer Youth Employment Program to \$47.1 million, to accommodate the most recent minimum wage increase and ensure the same number of youths can be served this year as last summer.

As you know, the application portal for the Emergency Rental Assistance Program (ERAP) closed on January 20. More than 225,000 payments have been made on behalf of tenants to landlords totaling more than \$2.8 billion, and OTDA expects that we will fully utilize all available funds with the applications submitted through January 20.

This program has overwhelmingly benefited some of our most vulnerable communities with nearly nine out of ten payments made on behalf of households at or below 50 percent of the area median income. When all is said and done, ERAP will have provided more than \$3 billion in federal and state funding to keep our fellow New Yorkers who suffered financially due to the pandemic in their homes when they were unable to pay their rent.

The Child Poverty Reduction Advisory Council, of which I am co-chair, continues its work to develop a plan for reducing child poverty by 50 percent statewide over the next decade. The council will have its third meeting in a few weeks, and I expect the pace of our work will increase moving forward.

I am excited about the opportunity we have before us to meet this goal. Poverty remains a reality for millions of New Yorkers, but we know it is a problem that we can solve.

In closing, Governor Hochul's Executive Budget outlines a bold agenda that focuses on making New York State a more affordable, livable, and safe place for all. This plan includes sound investments and forward-looking policy proposals that will benefit all New Yorkers.

We look forward to our continued partnership with the Legislature in the coming months. Thank you again for the opportunity to testify and I welcome your questions and comments.