

WRITTEN TESTIMONY OF THE SOCIAL WELFARE LAW COMMITTE

NEW YORK STATE JOINT LEGISLATIVE PUBLIC HEARING ON FY 2024 EXECUTIVE BUDGET PROPOSAL: TOPIC HUMAN SERVICES

PUBLIC ASSISTANCE BENEFITS IN NEW YORK STATE

February 13, 2023

The New York City Bar Association, through its Social Welfare Law Committee ("the Committee") submits this testimony on the dire need for increased Public Assistance in New York State. We thank the Legislature for holding this hearing on the FY 2024 Executive Budget and human services. The Governor's proposed Executive Budget does not include Public Assistance grant increases. Our testimony examines current Public Assistance benefits, proposed legislation, and the overwhelming financial challenges that recipients face due to COVID-19 and this period of rising inflation. The Legislature must urge the Governor to include Public Assistance grant increases in the final Executive Budget.

The Committee supports two pieces of legislation that were introduced last session which could be incorporated into the Budget to increase Public Assistance. The first is A.8061 (AM L. Rosenthal)(NYS 2022), which would amend the Social Services Law to increase - for the first time since 1997 - the very minimal "needs" allowances, currently monthly \$45 for a single person/\$126 for a parent and child, that are provided to New Yorkers living in shelters that serve meals.¹ These New Yorkers live in a state of extreme poverty, below 25% of the federal poverty level. While we endorse A.8061, the amounts set forth in the bill last session are not sufficient to meet the actual basic needs of this population and would leave these shelter residents living below 50% of the federal poverty level.

About the Association

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¹ A.8061 (NYS 2022),

https://assembly.state.ny.us/leg/?default_fld=&leg_video=&bn=A08061&term=2021&Summary=Y&Text=Y. This bill has not been reintroduced to date. *See also* "Increase Cash Grant for Homeless Living in Shelters Serving Meals," New York City Bar Association, Oct. 21, 2021, <u>https://www.nycbar.org/member-and-career-services/committees/reports-listing/reports/detail/increase-needs-allowance-for-homeless-living-in-shelters-serving-meals.</u>

The mission of the New York City Bar Association, which was founded in 1870 and has over 23,000 members, is to equip and mobilize a diverse legal profession to practice with excellence, promote reform of the law, and uphold the rule of law and access to justice in support of a fair society and the public interest in our community, our nation, and throughout the world.

We also support A.9130 (AM L. Rosenthal) / S.9513 (Sen. Persaud)(NYS 2022),² which would increase the Cash Assistance (non-rent) grant levels for all recipients. We believe the levels proposed in A.8061 should match the grant levels set forth in A.9130 / S.9513 or any amendments to these bills. The cash amounts now issued to all Public Assistance recipients to cover clothing and other life essentials do not meet their needs. We also support the inclusion in A.8061 of an annual cost of living adjustment that parallels the provision in A.9130 / S.9513 to prevent New Yorkers experiencing homelessness from sinking deeper into poverty when inflation spikes.

When an individual or family is homeless, the amount of their Public Assistance grant depends on what type of shelter the household resides in. There are several types of shelter, including those that provide kitchen facilities in which households can cook meals for themselves, and those in which meals are provided. When an individual or family resides in a shelter with cooking facilities, they get the full cash grant for their family size, plus Supplemental Nutrition Assistance Program (SNAP) benefits to purchase food that they then prepare. In contrast, when the shelter provides meals, an individual or family is eligible for far less cash. First, instead of a full cash grant, the family receives a "special needs allowance" that is only for "clothing and incidentals," and an individual receives a "personal needs allowance."³ While the amount of the period 2009-2011, the amount of the personal and special needs allowances for New Yorkers in shelters that provide meals was not increased at that time. At least since 1997, the State has set the "needs" allowance for this population annually at \$45 per month for a single individual and \$63 per month per household member for families with children.

In other words, a mother and child living in a meal-providing shelter today must survive on a cash grant of only \$126 per month. Any SNAP the household receives does not make up for the shortfall in cash because SNAP is only for the purchase of food. These parents are unable to purchase items needed for personal hygiene, including diapers, shampoo, menstrual products, over the counter medicine, and other necessities, such as clothing and laundry-related products. Those living in shelters receiving the minimal needs allowance often face the impossible dilemma of whether to purchase minutes for their phone, bus or subway fare to get to a job interview or a real estate broker,⁴ school supplies, or socks. Not only does the stress of these day-to-day decisions

² A.9130 / S.9513 (NYS 2022), <u>https://www.nysenate.gov/legislation/bills/2021/s9513</u>. These bills have not been reintroduced to date.

³ See 18 N.Y.C.R.R. § 900.17(a) (providing that "[1]ocal districts shall provide a monthly *special needs allowance* to families and to pregnant women residing in public or private Tier II shelters providing three meals per day" and sets forth a schedule by household size starting at \$63 for a household of one); § 352.8(c)(1) (providing that "[e]ach social services official shall provide an *allowance for monthly personal needs* for clothing and incidentals for recipients residing . . . under room and board arrangements or approved residential programs for victims of domestic violence in which three meals per day are provided . . ."); and § 352.8(f) (providing that "[a] single person who resides in a shelter for the homeless who has applied for and is found eligible for safety net assistance must be paid a monthly cash allowance of \$45, reduced by any available income. . . The remainder of said standard of need is to be met through the provision of items of need by the shelter"); *see also* NYS OTDA 18-INF-05 & 97-ADM-1.

⁴ Social service districts can provide an apartment search allowance and work-related carfare to shelter residents, but only in instances where there is a monitored apartment search or pre-approved work activities. Thus, if a shelter resident has not yet been assigned an employment related activity by the social services district, she will not be in receipt of a carfare allowance to attend a job fair, for example. Even in circumstances where shelter residents are

take an enormous toll on the adults making them and impact the children in their care,⁵ but not having enough to purchase essentials and get to job interviews or housing appointments also makes it harder for these New Yorkers to find jobs and housing.

Anecdotally, we have heard of single adults receiving the 'personal needs allowance' of \$45 per month or \$1.45 per day, leaving their meal-providing shelters and returning to the streets to sleep in order to receive the higher level of cash benefits, \$183 per month, currently issued to the population that lives anywhere other than meal-providing shelters. While \$183 per month is woefully inadequate for people who need cash to buy underwear, hygiene products, and Metrocards to search for work and get to medical appointments, it is difficult to imagine how anyone can survive on \$45 per month. Such deprivation can lead to many hard choices for shelter residents – such as panhandling and turnstile jumping – carrying the risk of arrest and criminal penalties which make it difficult, if not impossible, to secure stable housing and employment. The cost to both individuals and society is enormous. People in these shelter placements receiving the minimal 'needs' allowances suffer from the horrific consequences of extreme poverty. They experience deprivation, overwhelming hardship, health consequences, and horrific risky choices because the "needs" allowance is so appallingly low.

For the reasons cited herein, the Social Welfare Law Committee encourages the Legislature to take action to ensure that all New Yorkers living in poverty, whether homeless or living in the community, are provided the basic assistance any individual and family needs to be as healthy and cared for as possible in difficult circumstances, and in so doing facilitate ending and preventing homelessness and ultimately saving the State money spent on shelter/temporary assistance and medical care. The Legislature must urge the Governor to include Public Assistance grant increases in the final Executive Budget.

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eligible for these additional allowances, the social service districts do not consistently provide them to many eligible households.

⁵ Research has shown that in conditions of scarcity of money, mental bandwidth and problem-solving skills decline. *See* Mani, A., Mullainathan, S., Shafir, E., & Zhao, J. (2013). Poverty impedes cognitive function. *Science*, *341*, 976–980.