



**Testimony of United Neighborhood Houses  
Before the New York State Assembly and New York State Senate  
Joint Legislative Public Hearing on the FY 2023-FY 2024 Executive Budget  
Topic: Human Services**

**Assembly Committee on Ways & Means, Assemblymember Helene Weinstein, Chair  
Senate Committee on Finance, Senator Liz Krueger, Chair**

**Assembly Committee of Social Services, Assemblymember Maritza Davila, Chair  
Senate Committee on Social Services, Senator Roxanne J. Persaud, Chair**

**Assembly Committee on Children and Families, Assemblymember Andrew Hevesi, Chair  
Senate Committee on Children and Families, Senator Jabari Brisport, Chair**

**Assembly Committee on Aging, Assemblymember Ron Kim, Chair  
Senate Committee on Aging, Senator Cordell Cleare, Chair**

**February 13, 2023**

Thank you for the opportunity to submit testimony on the FY 2023-2024 Executive Budget and Human Services. United Neighborhood Houses (UNH) is a policy and social change organization representing 46 neighborhood settlement houses that reach 765,000 New Yorkers from all walks of life at 770 locations each year.

A progressive leader for more than 100 years, UNH is stewarding a new era for New York's settlement house movement. We mobilize our members and their communities to advocate for good public policies and promote strong organizations and practices that keep neighborhoods resilient and thriving for all New Yorkers. UNH leads advocacy and partners with our members on a broad range of issues including civic and community engagement, neighborhood affordability, healthy aging, early childhood education, adult literacy, and youth development. We also provide customized professional development and peer learning to build the skills and leadership capabilities of settlement house staff at all levels.

New York State relies on nonprofit partners to serve New Yorkers in need. From prenatal care for expecting parents, to early childhood education, to after school programs and in-school support, to summer camp, to youth workforce development programs like the Summer Youth Employment Program (SYEP), to college preparedness and college retention, to adult literacy and adult education programming like Adult Literacy Education (ALE), to workforce development, to aging services and programs that allow older adults to age in place like Naturally Occurring Retirement Communities (NORCs), to COVID-19 relief and recovery services. Further, New York relies on these same nonprofits to help New Yorkers meet their basic needs, including housing supports, mental health programming, benefit and entitlement navigation services, legal assistance, food access, home delivered meals, transportation—the list goes on and on.

In theory, this partnership is symbiotic: the State gains the community ties and issue-area expertise of nonprofit organizations while the nonprofit organizations are able to further their mission, leveraging stable public dollars to expand their programming and meet the needs of more New Yorkers. Unfortunately, in practice, the symbiotic relationship between New York State and human services contractors has broken down as government has failed to adjust the budgets for these essential services, allowed contracts to renew year-over-year without cost escalators, and left programs out of Cost of Living Adjustments (COLAs) meaning that some hard-working staff have gone without raises for years.

UNH looks to our State Legislative leaders to preserve and strengthen the programs outlined below, and to develop a comprehensive, long-term plan for ensuring the economic security of all New Yorkers going forward. Specifically, we outline budget priorities for the following priorities:

- **Settlement House Program - page 2**
- **Settlement House Workforce - page 3**
- **Child Care - page 5**
- **Advantage and Empire After School Programs - page 8**
- **Community Schools - page 9**
- **Adult Literacy Education (ALE) - page 10**
- **Access to Representation - page 11**
- **Home Delivered Meals for Older Adults - page 12**
- **Naturally Occurring Retirement Communities (NORCs) - page 13**
- **Addressing Food Insecurity - page 14**
- **Nonprofit Infrastructure Capital Investment Program (NICIP) - page 15**

### **Settlement House Program**

The Settlement House Program provides innovative funding for community-based supportive services for children and families at 53 settlement houses across the State, including in Albany, Buffalo, New York City, Rochester, Rockland County, Syracuse and Utica. The majority of these services are provided through UNH's membership of 46 settlement houses. **The Legislature must invest \$5 million into the Settlement House Program in the FY 2023-2024 New York State Budget, to restore a cut in Governor Hochul's Executive Budget and address growing community needs.**

The Settlement House Program is a crucial tool for settlement houses to shape their programming to meet neighborhood needs. Settlement houses are foundations of support for neighborhoods across the State, and local residents rely on them for a wide array of crucial services including employment programs, food pantries, children's and afterschool programs, language and literacy education, legal counseling, eviction prevention, arts programming, senior services, health and home care, and essential COVID-19 recovery services. The Settlement House Program remains one of the few sources of innovative and non-siloed government funding for settlement houses, allowing each one to respond to the unique needs of its neighborhood.

Some examples of how settlement houses are using Settlement House Program funds include:

- A settlement house in the South Bronx uses the funds to incorporate social workers into middle school programs to help address the growing mental health needs that children are experiencing after the long pandemic.
- A settlement house in Syracuse uses the funds to support their basic needs pantry that provides fresh produce and personal care items to the neighborhood.

- A settlement house in Brooklyn uses the funds to support outreach and activities for their new senior programs that provide wellness check-ins, activities, and lunch for older adults.
- A settlement house in the Capitol Region uses the funds to support a financial assistance program that focuses on housing resources for low-income neighbors facing severe economic hardship, including those at-risk of eviction.

While the Settlement House Program allows settlement houses to adapt funding to meet local needs, programs must comply with strict contracting rules set forth in a multi-year procurement process led by the Office of Children and Family Services (OCFS), as well as provide consistent outcome reports throughout the contract period. OCFS recently completed a new procurement, and new five-year contracts began on September 1, 2021. In recent years, new organizations have committed to the settlement house model of serving individuals and families in their communities, and have become UNH members. As a result, a net five new settlement houses became Settlement House Program grantees during the most recent procurement, representing 53 total programs. While this is a positive development, the procurement did not include a funding increase, and as a result many programs saw a reduction in their total funding levels, totalling \$450,000 in cuts. For example, one settlement house that uses the funds to pay a bilingual case manager lost 40% of their grant value, about \$20,000 per year, which led to a reduction in service.

Unfortunately, the Executive chose to eliminate Settlement House Program funding in the FY 2023-2024 Executive Budget, once again placing the burden on the Legislature to secure those funds. UNH is grateful to the Legislature for funding the entirety of the Settlement House Program each year. The Legislature has supported this program at various levels over the last decade, reaching as high as \$8.4 million at the height of the economic recession in FY 2009-2010 and as low as \$2.45 million in FY 2022-2023 and the last several years. The Settlement House Program has not seen its funding increased in over ten years, while programs have indicated large increases in reliance on service, especially since the onset of the COVID-19 pandemic. Inflation demands in the past year and rising labor costs over the last decade (including minimum wage increases) have put additional strain on this small but powerful funding source, and a \$2.1 million increase will allow providers to more effectively meet community needs and run high-quality programs.

Legislative action is urgently needed to avert this cut, and an increase over last year's funding is crucial to account for recent program growth and the essential neighborhood services these settlement houses provide. **A modest investment of \$5 million into the Settlement House Program will allow New York's settlement houses to respond to evolving community needs and strengthen their programming.** Funding in the amount of \$5 million would accomplish three things:

- 1) Restore the \$2.45 million that was secured in the FY 2022-2023 Enacted Budget.
- 2) Restore the \$450,000 in funding cuts that many individual settlement houses assumed in 2021.
- 3) Address the growing reliance upon settlement house services with a \$2.1 million increase.

### **Settlement House Workforce**

The State relies on the nonprofit human services sector to run crucial programs for New Yorkers in an effective, culturally-sensitive, and safe manner. From early childhood education to homelessness prevention to case management for older adults, the provision of these services keeps New Yorkers healthy, thriving, and engaged in the civic and economic life of their communities. Unfortunately, nonprofit human service contracts are plagued with many challenges, including delayed payments, insufficient overhead, inadequate wages, and a lack of available capital funding to repair aging facilities. The pandemic has exacerbated these challenges, and it is crucial that this budget include investments in nonprofit organizational health to keep the sector thriving and programs running.

## **Human Service Workforce Challenges**

Human service workers are grossly underpaid. A recent analysis by UNH found that human service workers face similar economic insecurity as the participants in their programs; in our report, *The Need to Strengthen the Economic Security of the Settlement House Workforce*, we note that government funding decisions and chronic underinvestment in human services have led to poverty-level wages for essential frontline workers at settlement houses.<sup>1</sup> Low wages, exacerbated by burnout from the COVID-19 pandemic, have resulted in chronically low staffing levels at human services organizations. Our settlement house members report more and longer vacancies, higher turnover, and significant challenges recruiting in a competitive labor market. A recent UNH survey of our members found that nearly a third (31 percent) reported a double-digit increase in their average job vacancy rate over the past year (10 percent or higher).<sup>2</sup> Insufficient staffing has made it increasingly difficult for nonprofits to serve New Yorkers.

## **Cost of Living Adjustments (COLAs)**

For years, the human services sector has warned of a staffing crisis citing low wage levels. Although there is legislation ensuring an annual COLA for human service workers to be included in contracts with State agencies, for nearly a decade, the previous administration deferred on their obligation to include funding for these adjustments in the budget, leaving salaries for essential workers flat despite rising costs and inflation. UNH was relieved to see a 5.4% COLA in the FY 2022-23 budget, but after years of neglecting this statutory requirement for COLAs on human service contracts, a one-time investment is insufficient. Further, in the FY 2023-24 budget the Governor has proposed reducing COLA funding to cover only 2.5%. **With skyrocketing inflation and a staffing crisis in human services, UNH urges the State to invest in an 8.5% COLA this year to cover growing costs and address poverty-level wages for human service workers.**

Furthermore, the statute on human service COLAs is out-of-date and does not include all current programs contracted out by State agencies, meaning that some State-funded human service workers were left behind last year and are at risk of missing out again without the Legislature's action. Because the COLA was never fully implemented since the statute passed, the statute was never amended to include newer programs, meaning that the following programs have been excluded:

- Advantage After School
- Child Care Resource and Referral
- Community Action Agencies
- Community Schools
- Crime Victim Services
- DOH Programs
- Empire State After School
- Health Home Care Management
- Healthy Families
- Independent Living Centers
- Long Term Care Ombudsman Program
- Maternal, Infant, and Early Childhood Home Visiting
- Naturally Occurring Retirement Communities (NORCs)
- New York State Commission for the Blind (within OCFS) Programs
- NY Connects

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<sup>1</sup>[https://uploads.prod01.oregon.platform-os.com/instances/542/assets/9\\_1%20-%202022%20Wage%20Equity%20Report%20-%20AS.pdf?updated=1663187768](https://uploads.prod01.oregon.platform-os.com/instances/542/assets/9_1%20-%202022%20Wage%20Equity%20Report%20-%20AS.pdf?updated=1663187768)

<sup>2</sup> 2022 UNH member salary survey. Based on a survey of 42 UNH members conducted from Dec. 2022 to Jan. 2023

- NYS Supportive Housing Program
- OTDA programs
- Perinatal and Infant Community Health Collaboratives
- Preventive Services
- Rape Crisis Counselors
- Recovery Centers
- SED Adult Literacy Education
- Social Adult Day Care
- Solutions to End Homelessness
- Supportive Housing
- Transportation

**UNH urges the Legislature to update the COLA statute to be inclusive of all human service workers by including the programs listed above.** Having this COLA be implemented across-the-board and inclusive of all human services nonprofits under contract with New York State will truly help achieve better pay equity across the State.

### ***Minimum Wage Proposals***

UNH is also supportive of various efforts to address New York State’s low minimum wage. With rising costs and one of the most expensive housing markets in the nation, New York’s \$15 per hour minimum wage has already become insufficient. While COLAs provide some help to the human services workforce, increases to the minimum wage help all New Yorkers, and certain proposals—like Senator Ramos and Assemblymember Joyner’s bill, S.1978/A.2204—could go even further in combating poverty-level wages Statewide. **UNH supports efforts to increase New York State’s minimum wage, and endorses the idea of pegging that minimum wage to inflation going forward so that workers are insulated from growing costs year-over-year.** As government contractors, human service organizations will need support from the State to cover these costs in their contracts so program dollars do not need to be diverted.

### **Child Care**

Settlement houses began operating some of the first kindergarten programs in New York State in the early 20th century, and early childhood education programs remain an important component of serving their communities. Settlement Houses run approximately 75 child care programs of all modalities (contracted center based programs, contracted Family Child Care networks, Direct Headstart programs, and private pay), serving their communities with dedication and quality care. UNH represents its members interests and needs across several platforms, including through its active membership in the Empire State Campaign for Child Care.

The Governor’s FY 2023-2024 Executive Budget has proposed a \$7.6 billion investment in child care over a four-year period. While we were encouraged to see the Governor’s recommitment to expanding and simplifying access to child care subsidies, the investment in the child care workforce outlined in the Governor’s Executive budget was inadequate. In order to make significant progress towards the creation of a high-quality, equitable, and universal child care system that meets the needs of all children and families, the State must include strong supports for workers and providers. While UNH strongly supports the concept of universal child care – recognizing the importance and value of early childhood education for both young children and their caregivers – we know that we need to address the underlying issues facing the sector before we continue moving forward with an expansion of the system. This year, the State must take steps toward stabilizing and transforming New York’s early

childhood system by investing in the essential—but historically underpaid—child care workforce, ensuring all families can access child care regardless of immigration status, expanding child care affordability, and expanding cash assistance for families with young children.

### ***Child Care Workforce Compensation Fund***

The Governor’s Executive Budget has proposed supporting child care providers through a third round of stabilization grants totaling \$389 million in unspent Federal funds. The grants can be used to cover payroll tax assistance and support staff recruitment strategies and other expenses related to hiring new staff. As part of this, the Executive Budget has proposed the establishment of a new Workforce Retention Grant Program that would provide these payments to child care providers at 17,000 programs statewide. However, this \$389 million investment fails to meet the scale of the need to dramatically boost the wages of our childcare workforce. On average, a child care worker in New York State earns \$33,060 annually, just barely above the State minimum wage of \$15 an hour.<sup>3</sup> The child care workforce is disproportionately comprised of women of color, magnifying existing wage gaps by race and gender. Furthermore, at least 65 percent of the State’s child care workforce is receiving some type of public benefit due to low wages.<sup>4</sup>

For the child care sector to thrive, and for its workforce to be financially stable, New York State must provide a deeper investment in its child care workforce. **We urge the State to include a \$12,500 annual workforce compensation supplement for each employee to ensure families can access care, totalling a \$1 billion investment.** This investment would translate to a median hourly wage of \$23.50 for preschool teachers,<sup>5</sup> not far off from the New York City median hourly wage, and help ensure child care workers have the resources they need to serve the state’s families and communities. This investment should remain in place until the State has transitioned to a new, permanent reimbursement methodology and payscale, which the Governor charged the Child Care Availability Task Force with achieving by 2025.

Low wages among our State’s child care workforce leads to high program vacancy and turnover rates, which are destabilizing to the development of young children who need continuity in order to thrive. At the beginning of the 2022-2023 school year, one UNH member reported that 20 percent of staff positions in their early childhood education programs remained vacant. Without a firm commitment to paying child care educators family-sustaining wages, New York will continue to lose an even higher share of this workforce to higher-paying sectors or to their counterparts in government, such as the NYC Department of Education (DOE). Furthermore, CBO center-based programs are left with staff shortages, preventing them from running at full capacity due to required children-adult ratios.

Recent research has found that average turnover rates decrease as wages increase among center-based early childhood education staff.<sup>6</sup> A \$12,500 annual supplement for each child care worker would be similar to Washington DC’s child care worker bonus program, which provides quarterly

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<sup>3</sup> Bureau of Labor Statistics, May 2021 State Occupational Employment and Wage Estimates New York.

[https://www.bls.gov/oes/current/oes\\_ny.htm](https://www.bls.gov/oes/current/oes_ny.htm)

<sup>4</sup> NY State Child Care Availability Task Force. “Supporting Families, Employer’s and New York’s Future: An Action Plan for a Strong and Equitable Child Care System.”

<https://ocfs.ny.gov/reports/childcare/Child-Care-Availability-Task-Force-Report.pdf>

<sup>5</sup> Testimony of Lauren Melodia before Senate Standing Committee on Children and Families. New School Center for NYC Affairs. January 26, 2023.

[https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/63dbfc24d7a73b6a8a89287f/1675361316813/LMelodia+childcare+testimony+012623.pdf?mc\\_cid=caf579ab45&mc\\_eid=e5006fbe81](https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/63dbfc24d7a73b6a8a89287f/1675361316813/LMelodia+childcare+testimony+012623.pdf?mc_cid=caf579ab45&mc_eid=e5006fbe81)

<sup>6</sup> <https://www.minneapolisfed.org/article/2022/examining-teacher-turnover-in-early-care-and-education>

payments of up to \$3,500 each (totaling \$14,000) to eligible early childhood educators.<sup>7</sup> Furthermore, the \$12,500 workforce supplement is in line with the #JustPay campaign for raising the pay of human services workers, while recognizing that the early childhood workforce is not fully comprised of government-contracted workers.

### ***Child Care Access for Immigrant Families***

A truly universal child care system cannot exist without ensuring that all New York families have access to affordable early childhood education regardless of their immigration status. Last year's Enacted Budget notably left out thousands of undocumented children who could have potentially benefited from State-supported child care.

The State should work toward eliminating citizenship requirements that currently exist for certain extended day/year public child care programs. Due to restrictions on certain funding sources, the only public programs that children can currently join are 3-K, Pre-K (in New York City), and federal Head Start. This leaves a major gap in care for undocumented immigrants across the State, including nearly 44,000 asylum seekers that have arrived in New York City since spring 2022. **UNH urges the State to provide \$60 million in direct funding for community-based organizations to help undocumented families access child care assistance, and to address eligibility restrictions through forthcoming legislation by Senator Brisport/Assemblymember Cruz.**

This approach was taken by New York City in its FY 2023 budget, with the provision of \$10 million that was recently distributed to four nonprofits to provide child care vouchers to low-income undocumented children. Under the City's new Promise NYC program, four providers, including three settlement houses, have contracted with the City to implement the child care voucher program in each of their respective boroughs. The providers have been charged with screening and selecting families in need of child care support. The 6-month program is expected to serve 600 children citywide for the remainder of the school year from January through June.

### ***Child Care Affordability***

Child care continues to remain unaffordable for many of New York City's families. In New York City, according to the NYS Office of Children and Family Services' (OCFS) most recent 2022 Market Rate survey, the annual cost of infant center-based child care services in New York City at the highest quality care level is \$28,572 a year, which would consume 31 percent of the median household income for families with infants.<sup>8</sup> When parents with young children struggle to access child care, this can negatively impact their ability to obtain employment or to remain in the labor force. In New York State, 37 percent of parents with children under five who struggled to access child care reported a reduction in their work hours due to lack of child care.

Last year, the State made progress toward addressing child care affordability barriers in the FY 2023-2024 Enacted Budget by raising the income eligibility cap from 200 percent to 300 percent of the federal poverty level (FPL). This recent increase stands to sharply reduce child care costs for more than 265,000 New York families.<sup>9</sup> **UNH supports the Governor's FY 2023-2024 Executive Budget proposal, which builds on this progress through an additional expansion in child care eligibility to 85 percent of the State median income.** This a promising proposal that stands to make tens of thousands of New

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<sup>7</sup> <https://osse.dc.gov/ecepayequity>

<sup>8</sup> Median household income for New York City households with infants is \$91,100, according to UNH tabulation of 2021 American Community Survey data.

<sup>9</sup> Schulyer Center for Analysis and Advocacy, State of New York's Children data book. January 2023.

York children newly eligible for child care subsidies. However, it fails to address the existence of a sharp benefits cliff for eligible families.

### ***Expand the Empire State Child Credit and Create a Working Families Tax Credit***

Research shows that economic security programs such as the Child Tax Credit can reduce poverty, as well as strengthen food security, and improve children's long-term health, educational and employment outcomes. The 2021 temporary expansion of the federal Child Tax Credit (CTC) benefited nearly 40 million families in the U.S, including an estimated 2.2 million families in New York State. Furthermore, the Census Bureau reported that the expanded CTC kept three million children out of poverty in 2021, and the child poverty rate plummeted to its lowest-level ever in 2021. In New York, a survey of more than 1,000 families within the UNH settlement house network found that the CTC payments were essential to helping families meet basic needs such as food, rent and clothing, as well as pay off existing debts.

Currently, the state's Empire State Child Credit provides up to \$330 in tax relief to income-qualifying parents for each child, so long as their children are at least four years old. This is a glaring omission: by excluding infants and toddlers, the current credit fails to support new or growing families. New York State must expand the Empire State Child Credit by increasing the credit amount available and including families with children under four years old. UNH estimates that roughly 368,000 children under the age of four would be newly eligible for the Credit through this expansion.

To accomplish this, **the State budget should include a Working Families Tax Credit, which would streamline two existing State tax credits into one program and provide cash assistance to New York's neediest families.** First, the new credit would replace the Empire State Child Credit and include eligibility for families with children under age 4; it would also increase the value of the credit on a sliding scale based on income and number of children to between \$500 and \$1,500 per child, with the lowest-income families receiving the highest credit. Second, it would replace the state Earned Income Tax Credit to permit access for non-citizens who file tax returns in New York. Additionally, the new credit will be paid out quarterly, providing families with four payments per year instead of one annual lump-sum payment. Research conducted by UNH and our member, Educational Alliance, on the impact of the expanded federal Child Tax Credit in New York, found that the advance payments provided flexibility for families, allowing them to budget the additional money into their monthly expenses and use it to best meet their needs. The State investment should model legislation introduced by Senator Gounardes (S.277) and Assemblymember Hevesi. It is estimated to cost \$2 billion, while also expected to reduce child poverty statewide by 13 percent and provide secondary economic benefits.

### **Advantage and Empire After School Programs**

After school programs are a place where youth can participate in activities that contribute to their social-emotional development, while being outside a classroom and in a safe, supervised environment. After school also acts as a crucial support for working families to ensure they have safe, reliable, and affordable child care for school-aged children. COVID-19 has only underscored the crucial role that after school programs play for young people and their families.

UNH applauds the investments proposed in the Executive Budget for after school programs, particularly the decision to maintain funding for the Empire State After School Program. However, these actions are incomplete as after school investments have remained level for years and only support a cost-per-participant rate of \$1600, which does not accurately reflect the true costs of programming. In



order to reflect the costs of high-quality afterschool programming, **the FY 2023-2024 Enacted Budget should invest an additional \$87.5 million in the Empire State After School Program.**

New York State also must take additional action to **strengthen the Advantage After School Program by restoring the \$5 million investment to support after-school programs for 2500-5000 children, as well as investing an additional \$40.4 million** so that there is an average cost-per-participant of \$4300. This will ensure that youth in New York State can have access to high-quality, engaging programming while recovering from the COVID-19 economic and social crisis, and that staff are paid equitable wages.

Finally, New York must streamline the current contract process for a timely execution of contracts and payments to awarded after school grantees. With the grave impact of COVID-19 and unexecuted contracts, many after school programs had to close or bear the brunt of running their programs at unsustainable levels. In the UNH network, settlement houses running Advantage After School Programs went about two years without being reimbursed for their work. This leads to cash flow challenges, potential missed payments for staff, and even programs closing because they cannot afford to float the State cash. It is crucial that the State pay contracts promptly and fully for services provided.

### **Community Schools**

The community schools approach is a whole child strategy that leverages schools as community hubs to organize holistic, integrated services and resources of the school and community around student success. Community schools are a more coordinated approach to service delivery. Rather than having an array of programs operating in silos, community schools leverage resources and coordinate services in a strategic, integrated way that meets the needs of the individual school community. Community schools increase access to medical and mental health, expand learning opportunities such as after-school and summer programs, and parent/family engagement support remove the barriers to learning that young people might face.

New research conducted by RAND with Vanderbilt<sup>10</sup> shows that NYC Community Schools had an impact on K-8 achievement with statistically significant improvements in both ELA and Math scores, as well as improvement in school attendance. The study also found strides in credit accumulation, higher reports of positive school cultures, and reductions in disciplinary incidents. Community schools have also been found to be smart investments: for every one dollar invested in a coordinator, the school receives more than \$7 back in value.<sup>11</sup>

Despite this success, the program has not benefited from a dedicated funding stream, as the only State funding for community schools is through a carve-out set-aside of Foundation Aid. More schools and communities around the State deserve funding to start building this strategy which is why UNH recommends the following:

- **Invest an additional \$1 million in community schools technical assistance centers (CSTACs).** An increased investment totaling \$2.2 million would help expand and strengthen the capacity of CSTACs in New York. Currently, the three CSTACs are stretched thin to provide support to a wide geographic range. The additional funds would:
  - Increase the staff capacity of each existing CSTAC to provide technical assistance to

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<sup>10</sup> <https://fordhaminstitute.org/national/commentary/impact-community-schools-attendance-and-achievement>

<sup>11</sup> Bloodworth, Michelle R., & Horner, Anna C. "Return on Investment of a Community Schools Coordinator: A Case Study." Apex & ABC Community School Partnership.

[https://www.communityschools.org/wp-content/uploads/sites/2/2020/11/ROI\\_Coordinator.pdf](https://www.communityschools.org/wp-content/uploads/sites/2/2020/11/ROI_Coordinator.pdf)

- o existing community schools across the State.
  - o Strengthen support for new partners, including Boards of Cooperative Educational Services (BOCES), looking to establish community schools.
  - o Add at least one new CSTACs to increase capacity to cover statewide and also provide specialized support, including to rural school districts.
  - o Coordinate an annual statewide convening to share best practices and engage community schools and education leaders.
  - o Increase capacity of CSTACs to engage in virtual and hybrid visits across the state.
- **Dedicate \$100 million to expand community schools statewide.** Community schools work.<sup>12</sup> Dedicated funding for community schools would allow school districts, BOCES, and community partners to target and maximize resources toward specific activities and interventions that align with community schools' principles. An established community schools fund would support school districts that do not have a community schools set-aside as part of their school aid, and/or those that need further support utilizing the community schools strategy. These funds would:
    - o help prioritize the hiring of a community schools coordinator/director, whose leadership and coordination role is central to the community schools strategy.
    - o increase the capacity of school districts to integrate comprehensive programs, structures, and systems that help equitably meet the holistic needs of students.
    - o A potential distribution model that adopts similar principles to the Universal Prekindergarten grant would allow districts to accept or decline funding available to them based on their interest in implementing the strategy. This would allow the State to maximize funds while providing equitable resources for school districts to leverage the community schools strategy effectively.
  - **Maintain the current community schools set-aside of \$250 million to ensure sustainability for current community schools.** The community schools set-aside, as well as the maintenance of the \$100,000 funding minimum for school districts, provides ongoing support for many community schools in New York. These community schools address the critical needs of students and their families, building on their robust relationships with community partners, university partners (as relevant), and awareness of specific school, district, community, and regional needs. The set-aside funds provide the sustainability needed for continuous improvement and adoption of the strategy.

### **Adult Literacy Education (ALE)**

**UNH recommends a \$27.9 million allocation to Adult Literacy Education in the final FY 2023-2024 budget**, currently funded at \$9.3 million. This funding ask is geared to address both priorities simultaneously: 1) stabilize programs to serve current adult literacy students, and 2) expand services to reach more students, including new arrivals.

Trusted community-based nonprofits deliver New York State's Adult Literacy Education (ALE) program with culturally competent staff who can leverage wrap-around support services to serve students

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<sup>12</sup> Research and evaluation show that community schools are a smart investment in the coordination of resources at both the school and system levels, which translates to a return on investment (ROI) of over \$7 for every \$1 invested in a coordinator's salary. In NYC, UFT's United Community Schools data showed that a \$100,000 investment to hire a community school director can bring in more than \$600,000 in services and grants to the school community. The Rome Connected Community Schools program reported an even higher ROI upward of \$20 for every \$1 invested in community school initiatives.

better. ALE, which flows through the New York State Education Department, is the only state funding stream exclusively available to community-based organizations, colleges, libraries, and literacy volunteer programs and is flexible enough to serve individuals that don't meet the citizenship requirements and workforce outcomes that are embedded in the majority of state- and federally-funded adult education programs.

Because of the unique nature of this funding stream, it is critical that the ALE funding line be amended. In order to stabilize the sector and ensure every student is provided the resources they need to succeed, New York State must restore and increase the total funding for ALE to \$27.9 million to serve nearly 10,000 adult learners.

- \$1.5m must be restored to sustain the current \$9.3m of ALE funding and keep programs whole. The Governor's FY24 budget proposal cuts ALE funding to \$7.8m, which would eliminate seats for over 1,000 students.
- \$9.3m will be used to double the current ALE funding better to serve the existing number of students (6,600). It is essential that the ALE funding line be amended to allow for additional funding to go towards existing programs to serve the same number of students. Legislative language must take this into account when drafting the budget.
- \$9.3m will be used to expand services to additional students (+3,300).

In New York State, 3.9 million adults lack English language proficiency, basic literacy and numeracy skills, or a high school diploma. The majority of these adults are women and people of color, including many immigrants; others are BIPOC, born and raised in the U.S. but did not have a high school level education. Yet the overall State investment in adult literacy education, of which ALE is one essential part, only covers classes for 3% of the population in need. As the cost of services continues to increase, ALE needs new investment to adequately support the academic goals of the 6,600 students that are currently being served through this program and to expand services to more adults in need of educational opportunities.

### **Access to Representation Act**

**UNH urges New York State to pass the first-in-the-nation Access to Representation Act** that would establish a right to counsel for all immigrants facing deportation in New York and guarantee that no one must defend themselves against a trained government lawyer alone to protect themselves and their families from deportation. To ensure successful implementation, **UNH also recommends the State invests \$55 million to launch the first year of the program.**

The Access to Representation Act will mandate that the State appoint a lawyer to anyone in New York who has a case before an immigration judge or who has a basis to appeal or request to reopen an old deportation order, and meets income requirements. The law will also guarantee stable funding streams for immigration legal services, easing uncertainty on both the legal representatives and their clients.

New York State must ensure that no immigrant fails to access the defenses and protections available to them under the law solely for lack of an attorney to make their case. The State should do its part to provide due process, fairness, and access to justice for immigrants facing deportation proceedings. By becoming the first state to enact and fund a right to counsel for immigrants, New York can once again show itself to be a leader in enacting commonsense policies that uplift all New Yorkers.

## **Home Delivered Meals for Older Adults**

The home delivered meals (HDM) program, often referred to as "meals on wheels," offers crucial support for older adults across the state. Nonprofit HDM providers deliver a daily nutritious meal to homebound older adults who are unable to prepare their own food, while also providing wellness support to combat social isolation.

As demand for these services have skyrocketed in the last several years since the onset of the COVID-19 pandemic, nonprofit providers continue to grapple with insufficient funding, skyrocketing inflation costs, difficulty hiring drivers and delivery staff at low wages, and periodic wait lists for services. Despite significant funding challenges, settlement houses continue to operate these programs because they are mission-driven, in many cases have worked with their clients for years, and recognize that this delivered meal may be the only nutritious food available to many vulnerable homebound seniors. As the older adult population continues to grow, it is critical for the State to invest in a robust home delivered meals system that keeps older adults in their homes and allows for increased capacity.

The Governor's Executive Budget included stable funding for NYSOFA's Community Services for the Elderly (CSE) budget line, which supports HDM programs, with the exception of a 2.5 percent cost of living adjustment. Inclusive of this small increase, **the FY 23-24 budget must include an increase of \$38.6 million to support HDM and aging services through CSE. This includes \$9.5 million to clear HDM and case management wait lists and \$29.1 million to absorb inflation costs:**

### ***Wait lists***

Statewide, there has been a huge uptick in demand for home delivered meals since the beginning of the pandemic, as New Yorkers face greater financial insecurity and older adults in particular are more likely to prefer staying indoors. According to an analysis by the Association on Aging in NY, in December 2022 there was a waitlist for services of 7,713 individuals waiting for case management assessment (which refers older adults to HDM) and 892 waiting for a home delivered meal, along with smaller waiting lists for NYSOFA's transportation, legal services, and respite programs. The State has included one-time funding for the last several years to clear waiting lists, including \$8 million for unmet needs in FY 22-23 that was once again included in the FY 23-24 Executive Budget. To clear HDM and case management wait lists in FY 23-24, the State must invest an additional \$9.5 million on top of the Executive Budget proposal.

### ***Inflation***

Home delivered meals programs have been significantly underfunded for many years, and this year record-high inflation is exacerbating chronic underfunding. HDM providers have been directly hit by rising costs for raw food, transportation, utilities, and other categories, and there are widespread needs for van repairs and replacements. UNH conducted an informal survey of settlement house HDM providers in May 2022, and we saw that in the past year, raw food costs rose by 7 percent to as high as 50 percent. All of these costs have had an impact on staff retention and recruitment: due to contract rates, salaries are forced to be kept low which makes it extremely difficult for providers to hire competitively. One provider noted that "if we do not raise compensation in home delivered meals [contracts], we will lose staff. The costs of gasoline, vehicle insurance, vehicle maintenance, food costs and health insurance limits our ability to raise hourly [wage] rates." Simply to absorb inflation and increased costs of food, gas, and other commodities for existing service recipients, the State must include \$29.1 million.

## **Naturally Occurring Retirement Communities (NORCs)**

NORCs are housing developments or neighborhoods that were not originally designed as senior housing but have naturally become home to a significant number of older adults over time. NORCs receive contracts to coordinate support from housing, social services, and health care providers to promote the health and stability of older adults living in apartment buildings and housing complexes, as well as in slightly lower-density neighborhoods and rural areas (Neighborhood NORCs or NNORCs).<sup>13</sup> NORCs have served as strong partners for older adults throughout the pandemic, helping them stay safe, healthy, and connected - in addition to serving as hubs for COVID-19 relief efforts by offering vaccination, testing, and PPE distribution on-site.

NORCs provide a proven community-based alternative that allows older adults to stay safe and healthy in their homes for longer. In many cases, NORC programs help older people avoid or delay entering institutional settings like nursing homes or emergency rooms. NORCs are also cost-effective for the State: NORC programs serve residents on relatively small budgets while defraying more substantial costs to the State. For example, the annual cost of a nursing home stay for one individual in New York State can be as high as \$142,000 per year;<sup>14</sup> this amounts to nearly the value of an entire NORC program contract, generally serving hundreds of older adults and helping them remain in their homes for longer. Nursing homes can often be prohibitively expensive, as few individuals can afford to pay out of pocket for care. As a result, nursing home residents become reliant on State and Federal support and subsidies such as Medicaid. Investing in NORCs can help limit these increased costs to the Medicaid system. NORC nurses also divert countless people from more serious healthcare visits through preventative care such as falls prevention workshops and individual counseling.

The State's recently-released Master Plan for Aging seeks to "ensure older New Yorkers can live fulfilling lives, in good health, with freedom, dignity and independence to age in place for as long as possible," and notes that "older adults...should be able to choose to remain in their communities." N/NORCs are tailor-made to fit that vision, and the State must dedicate resources to bolstering this program.

The NORC program is currently funded at a base of \$8.055 million, which is split between two budget lines for NORCs and Neighborhood NORCs – and this funding was once again maintained in the Executive Budget.<sup>15</sup> This supports 43 NORC contracts throughout the State, which includes 14 new programs that were added through a 2019 procurement by NYSOFA. **This year, the Legislature must increase NORC funding by \$2.5 million - including a \$1 million restoration to support NORC nursing services and \$1.5 million to expand the NORC program to new sites across the State.**

### ***Pro-Bono Nursing Challenges***

Despite their outstanding work during COVID-19 and beyond, NORCs face a specific funding challenge. Many programs struggle to meet requirements for on-site nursing hours, which are mandated in NYSOFA contracts in the healthcare management and healthcare assistance and monitoring categories. The vast majority of NORCs fill these requirements with nurses. In alignment with the NORC model, these nurses provide vital services that would not otherwise exist in the community, such as medication education, diabetes testing, flu shots, mobility and balance screenings, and doctor-patient connections. Many residents rely on these nurses as a main source of health care and truly value the

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<sup>13</sup> Throughout this testimony "NORC" refers to both NORC and NNORC programs.

<sup>14</sup> NYS Dept of Financial Services:

[www.dfs.ny.gov/consumers/health\\_insurance/long\\_term\\_care\\_insurance/cost\\_ttc](http://www.dfs.ny.gov/consumers/health_insurance/long_term_care_insurance/cost_ttc)

<sup>15</sup> NORC/NNORC budget lines were consolidated in this year's Executive Budget, from four to two budget lines, but funding remained level and was not increased.

consistent, quality care they provide. While no two programs are identical, the average NORC program utilizes 22 nurse hours per week.<sup>16</sup>

At many NORC sites, providers have traditionally secured pro-bono nursing services sourced from hospitals, students, retired volunteers, and other means. These in-kind nursing services maintain the NORC program's founding principle of community-based partnerships and supports. However, these arrangements have become unstable due to changes in the healthcare field, in addition to the growing need for health care as New York's population ages. Further, in 2019 the largest provider of nursing services to NORCs eliminated all of their pro-bono hours. From 2015-2018, NORC programs reported an average loss of 50% of their pro bono hours, from about 12 to 6 hours each week. Consequently, N/NORCs contracts do not fully fund the services required by NYSOFA. In effect, nursing hours represent an unfunded, though important, mandate in NYSOFA contracts.

UNH is grateful to the Legislature for all of its attention and support for the NORC program over the last several years. For the last four budget cycles the Legislature has provided additional funding specifically to support nursing services in NORCs. This supplemental nursing funding was first added by the Legislature at \$325,000 in FY 2019-2020 and FY 2020-2021, was increased to \$1,000,000 in FY 2021-2022 (representing close to the full need), and was reduced to \$825,000 in FY 2022-2023. Each NORC received \$23,256 in their 2022 calendar-year contracts from this funding, and crucially it is not subject to unit of service increases. Unfortunately, the Governor once again did not include this \$1 million nursing enhancement in the Executive Budget. We strongly urge the Legislature to restore this \$1 million for NORC nursing to ensure programmatic stability.

### ***NORC Expansion***

There is high demand for the State to increase the number of NORCs to help older adults continue living in their homes and communities. The NORC program last underwent an expansion in 2019, and at that time there were more applicants to the program than the State could afford to fund. With a modest \$1.5 million investment, NYSOFA will be able to create between six to eight new NORC programs across the State, which will serve hundreds if not thousands of older adults. NYSOFA has expressed their support for this expansion, and if funding is available they will issue a competitive procurement to select the new programs. This investment must also be paired with a statute update to increase flexibility on building height restrictions that have limited eligibility in the past, per S.3392 (May) and A.TBD (Rozic). NYSOFA has also expressed support for this change.

### **Addressing Food Insecurity**

Food insecurity emerged as a top community need during the pandemic, and demand for emergency food remains at higher levels than before the pandemic began. The State must increase funding to a variety of programs that settlement houses operate to address food insecurity, including:

- **Increase the Hunger Prevention and Nutrition Assistance Program (HPNAP) to \$63 million.** This is an incredibly impactful program that addresses the ongoing hunger crisis, and given rising levels of inflation and increased demand at emergency food providers across the State, we call on the Legislature to ensure this funding is included. We also ask that, going forward, HPNAP allow program participants to use funds to cover overhead administrative costs and that education and technical assistance on how to source, prepare and offer culturally and religiously responsive food is offered to participants through the existing food safety/training curriculum.

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<sup>16</sup> According to a survey of NORC Program Directors completed in November 2018 – note all additional data in this section was compiled from this survey.

- **Increase Nourish New York to \$75 million.** Nourish NY has been a valuable source of funding for NYS farmers and producers to get fresh, local food into the emergency food system and fuel local economies. We call for increased funding for the program to \$75 million per year to keep up with demand. We also ask that the Administration keep Nourish NY and HPNAP funding, applications, and administration separate to maintain the integrity and intention of both the programs.
- **Maintain the Nutrition Outreach and Education Program (NOEP) at \$4.2 million.** NOEP funds public outreach and education around participation in SNAP and promotes participation in WIC, and school meals and summer meals. Unfortunately, this program was reduced in the Executive Budget, and we urge a restoration to last year's funding level of \$4.2 million.

**The State should also create a Healthy School Meals for All program,** building off a successful NYC universal school meals program, with annual investment of \$187.3 million to \$201 million. Finally, we urge the State to look into **creating a food benefit for New Yorkers who are ineligible for SNAP due to immigration status,** including by working with the Child Poverty Reduction Advisory Council to develop the program.

### **Nonprofit Infrastructure Capital Investment Program (NICIP)**

Many nonprofits run their programs out of aging buildings, and without sufficient capital funding streams available, repair needs in those aging buildings compound. HVAC units may break down, or tumultuous weather may threaten aging infrastructure, and these issues can sometimes mean interrupting service delivery when buildings become unsafe.

The Nonprofit Infrastructure Capital Investment Program (NICIP) was funded from FY 2015-2018, with a total of \$120 million put towards the program, and during that period over \$300 million worth of eligible projects were proposed by nonprofits across the State. Of those who were awarded, NICIP was celebrated for filling a niche need and allowing them to undertake significant capital projects that improved the spaces from which human service programs are run. Bringing NICIP back in the FY 2022-23 budget signaled that the Governor and Legislature are aware of the important role capital funds can play in high-quality service provision, and the investment will help hundreds of nonprofits make sorely needed building repairs. Still, nonprofits' need for capital funding is massive, and in the FY 2023-24 budget, NICIP was zeroed out once again. **UNH urges the Governor and Legislature to restore NICIP in this budget and future budgets, investing \$50 million as a recurring line to ensure that capital needs are addressed as they arise and not left to grow, compounding costs and making buildings less safe.**

Thank you for the opportunity to submit testimony. We are happy to answer any questions and can be reached by emailing Tara Klein at [tklein@unhny.org](mailto:tklein@unhny.org).