

## Testimony of Alice Bufkin, Juan Diaz, Caitlyn Passaretti, and Jenny Veloz Citizens' Committee for Children of New York

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Since 1944, Citizens' Committee for Children of New York has served as an independent, multiissue child advocacy organization dedicated to ensuring every New York child is healthy, housed, educated, and safe. CCC does not accept or receive public resources, provide direct services, or represent a sector or workforce; our priority is improving outcomes for children and families through civic engagement, research, and advocacy. We document the facts, engage and mobilize New Yorkers, and advocate for solutions to ensure the wellbeing of New York's children, families, and communities.

Thank you, Chair Weinstein and Chair Krueger, as well as Chair Hevesi, Chair Brisport, Chair Persaud, Chair Davila, and all the members of the Assembly Ways and Means, Senate Finance, Assembly and Senate Children and Families, and Assembly and Senate Social Services Committees for holding today's Joint Hearing today and allowing us the opportunity to respond to Governor Hochul's Executive Budget.

In 2023, Citizens' Committee for Children of New York (CCC) released the <u>"Child & Family Well-being</u> in New York State" index, a comprehensive report that examines county-level data on economic security, housing stability, health care, education, youth, and families and communities. Findings from this report underscore the urgent need for the State to invest in solutions that lift incomes and combat poverty, increase housing stability and food security, strengthen child developmental and behavioral health outcomes, and support the overall wellbeing of youth, family and communities. Below, we outline the steps our State must take in the Fiscal Year 2024-25 Executive Budget and through legislation to ensure that every New York child in every family is healthy, housed, educated, and safe.

## Leverage Tax Policy to Lift Incomes

The pandemic has underscored how tax policy - Child Tax Credit (CTC) and the Earned Income Tax Credit (EITC) – can be leveraged to lift families out of poverty. Multiple studies have revealed the positive impact that federal level tax credit reforms reduced child poverty nationwide.<sup>i</sup> These efforts have and can continue to inform state action.

In New York State, the inclusion of children under age 4 in the Empire State Child Credit in the SFY'24 budget was a critical step in increasing access to important tax benefits. New York State has the opportunity and responsibility to continue a path to eliminate child poverty statewide by supporting and funding the following tax policy proposals:

• Strengthen the Empire State Child Credit to ensure it reaches the poorest New Yorkers, currently excluded from the full credit. New York made significant strides in the 2023-24 Budget by correcting the exclusion of children under age four, but child tax credits lose their poverty-fighting power when the full benefits are denied to the lowest income households. By eliminating the current income phase-in from the Empire State Child Credit (ESCC), the state can maximize the credits poverty-fighting potential and reduce existing racial disparities



among family households benefiting from the program. Increasing the maximum credit amount to \$1,600 (over the next five years) would allow the credit to have a meaningful impact on a family's budget.

• Strengthen the Earned Income Tax Credit (EITC) so that all working New Yorkers who are eligible may file, including those filing with an Individual Tax Identification Number (ITIN), as is permitted with the ESCC, and increase the value of the credit. A recent study highlighted how EITC helps incentivize employment, improves mental health, results in higher educational attainment of children and enhances the growth of local economies where EITC recipients reside. The same report revealed that lifting the incomes of workers would help the State's economy with increased contributions to personal income taxes and increased disposable income to spend in local communities.<sup>ii</sup>

#### **Support Housing Stability**

New York State is facing a housing affordability and shelter capacity crises that demands timely investments to secure housing and economic stability for families across the state. We applaud the Governor's inclusion of \$2.4 billion in the Executive Budget to support shelter-related costs for migrants in NYC in need of temporary assistance. Additionally, we support the inclusion of \$500 million to develop 15,000 affordable housing units in state-owned properties. However, these investments do not go far enough to provide immediate solutions for families with children across the state that are struggling with the risk of eviction or residing in shelters. Therefore, we urge the State Government to pass and fund the following policy/program initiatives:

- Enact and fund Housing Access Voucher Program (HAVP), to create a state-wide housing voucher (S568B (Kavanagh)/A4021A(Rosenthal). This voucher would operate much like the federal Section 8 program and would assist populations residing in shelters and to remain housed. A commitment of \$250 million toward HAVP would have a transformative impact, aiding nearly 15,000 families or individuals in exiting or preventing homelessness.
- Increase the Public Assistance housing allowance to a level that stabilizes housing for vulnerable families in receipt of cash assistance. Currently the PA housing allowance is \$347 for a household of four and was last adjusted twenty years ago.
- **Return to a shared state-local funding partnership on all shelter costs.** In recent years, the state financial support for New York City shelter-related costs has decreased. This has harmed the ability of the city to provide services to families with children living in shelters, returning to a shared state-local funding structure is essential to providing shelter services to families in need.

### **Promote Food Security**

Food insecurity is on the rise in New York and across the country. According to the U.S. Department of Agriculture, food insecure households increased from 10.2% in 2021 to 12.8% in 2022. In households with children, 17.3% experienced food insecurity.<sup>iii</sup> In New York State, the rate of New Yorkers reporting food insufficiency increased to 10.8% in November 2022, from 7.3% in the summer of 2021. For



households with children, the rate increased to 13.4%.<sup>iv</sup> New York State must invest in anti-hunger programs that will support families that are food insecure. We commend Governor Hochul for opting New York State into the federal summer EBT program, which will provide EBT food benefits to families with school-aged children during the summer. However, more must be done to combat food insecurity.

# In partnership with the New York Food Policy Alliance, we urge Governor Hochul and the State Legislature to pass and fund the following policy and legislative initiatives:

- Establish a state minimum SNAP benefit program (S.7663 (May)/A6214 (Gonzalez-Rojas). With grocery prices increasing due to inflation, resulting in rising food insecurity, New York households saw an average loss of \$151 per month, while some saw their monthly benefits drop to just \$23. We call on the State Legislature and Governor to support an adequate monthly minimum SNAP benefit.
- **Increase funding for anti-hunger programs.** Add \$25 million to fund Nourish NY at \$75 million, add \$30 million to fund Hunger Prevention Assistance Program at \$64 million, and maintain funding for Nutrition Outreach and Education Program at \$5.45 million.
- Establish a state task force to inform a SNAP for All, regardless of immigration status. We ask that the FY25 budget support S.7692 (Salazar)/A5933 (Gonzalez-Rojas) to creation of a state level task force including representatives from OTDA, anti-hunger and immigrant rights advocates from across the state to explore the creation of a SNAP-like state funded nutrition program open to undocumented families in our state.

### **Invest in Early Childhood Education**

In recent years, New York has made historic investments and expanded income eligibility to increase access to child care, making child care newly affordable for tens of thousands of New York families. However, there are still many New York families who face barriers in access. Chief among these families are those where parents or caretakers work unpredictable or fluctuating hours. Currently parents are only allowed child care assistance for the exact hours they work or attend school, making child care unavailable to parents with inconsistent work schedules, part-time positions, or those who are a part of the growing gig economy.

Additionally, immigration status bars many otherwise eligible children from New York's Child Care Assistance Program (CCAP). The need to end this exclusion has become more urgent with more than 150,000 asylum seekers newly arriving in New York this past year. While New York leaders have been working hard to pave the way for asylum-seekers to be able to work, those who have children cannot work without child care. In last year's Enacted Budget, New York for the first time funded a small pilot program to help the families of children who are currently excluded due to their immigration status to access child care. The number of families needing assistance has grown exponentially since last year.

Lastly, without a well sustained child care workforce, all the gains made in expanding access to child care will be in jeopardy and the state's stated goal of moving toward universal child care will be an impossibility. No new funds were allocated in the Governor's Executive Budget for child care



workforce only one-time workforce retention and recruitment grants allocated as part of last year's budget.

In partnership with the Empire State Campaign for Children (ESCCC), CCC is calling on the state to support these essential childcare investments and policy changes:

- Create and invest in a permanent compensation fund to increase child care worker pay. This fund should be robustly resourced and sufficient to offer all child care workers compensation parity with similar positions in the public school system.
- **Build** from state-wide pilot created in 2023-24 NYS Budget and Promise NYC program to provide state-funded child care assistance to immigrant children barred from accessing federally funded subsidies.
- **Increase** capacity for non-traditional hour care and care for children with special needs by paying an enhanced reimbursement rate of 15% statewide for non-traditional hour care and **implement** a pilot program to provide a monthly per-child supplement for non-traditional hour care and for children with special needs.

### **Prioritize Child Welfare Prevention**

Child welfare preventive services are critical to maintain child safety and family stability, particularly in the face of the devastation the pandemic caused to families' economic security and overall stability. In New York State, 35,972 families statewide, including 71,727 children, received Prevention Services in 2022. Prevention services have contributed to the reduction of children in out of home foster care placement from over 17,500 in 2016 to under 13,500 as of September 2023. Despite their importance in helping families meet their basic needs and avoid greater involvement in the child welfare system, prevention service provider agencies report crucial challenges with funding and staffing that limit their capacity to meet families' needs.

In a <u>study conducted by CCC and the Council for Family and Child Caring Agencies</u> in 2020, it was evident that families demonstrated a more intense need basic services because of the pandemic, including the need for food and housing supports, internet access, and child care. Now in 2024, many of these same issues are prevalent, especially access pertaining to affordable housing, behavioral health care services, and child care. Families continue to struggle to meet basic needs and our child welfare system remains grossly underfunded. To support and uplift child wellbeing, and support family stability, the State must prioritize investing resources to services that support and strengthen families.

# To truly protect New York's children and strengthen families, the state must prioritize investments in services proven to maintain child safety and keep families stable and together:

• Reinstate the open-ended reimbursement for prevention services at the original rate of 75/25 state/county share (A2807/S5326). This broad array of services for children and families – which includes counseling, housing and child care supports, and assistance in obtaining basic household goods – is designed to keep families facing crisis intact and prevent the need for further involvement with the child welfare system.



- Pass S. 4578A (Ramos) /A6197A (Clark) which would establish the Mothers & Infants Lasting Change (MILC) allowance. The MILC allowance, established as a pilot in this bill, would provide financial support to parents of infants at a critical period in their lives.
- **Increase** the age of eligibility for the Child Welfare Housing Voucher from 21 to 24 and indexing it to inflation.

New York must effectively implement federal family first legislation and ensure counties have the resources needed to strengthen families, reduce out-of-home placements in foster care, and prioritize family-based placement and reunification.

### **Invest in Youth**

In the face of the rhetoric that has dominated many recent news articles on crime in New York, we believe it is essential to make clear that youth crime is not rising in New York State. Youth arrests and index crimes have continued to decline over the past ten years.<sup>v</sup> The fear mongering around crime that is currently permeating many media outlets is destructive, dangerous, and untrue. At a time when New Yorkers are working to rebuild after the pandemic, facing the subsequent economic insecurity, and a current behavioral health crisis, we need investments in youth and communities. While other areas of the budget must address actions and investments that lift incomes, stabilize housing, and meet rising behavioral needs, public protection also requires public investment. It is essential that we fund a full continuum of youth justice services to rebuild our state and put youth and communities first.

# CCC recommends the following investments and legislative priorities to ensure youth are supported and communities are safe:

- **Expedite** counties' access to the already appropriated hundreds of millions of dollars for the Raise the Age law's implementation.
- Allow local community-based organizations to directly apply for State RTA implementation funds rather than going through their counties. Local service providers are closest to young people and their families and are often in the best position to develop the continuum of programs necessary under RTA.
- **Ensure** New York City can access the RTA funding. NYC represents about half of the youth in the state, but statutory language excludes the city from receiving state support. Every county and all New York youth should benefit from state funding under RTA, no matter where they live.
- **Increase** the state's Supervision and Treatment Services for Juveniles Program (STSJP) appropriation by supporting the proposed increase of \$3 million included in the Governor's Executive Budget.
- **Pass** the Youth Justice and Opportunity Act (A.4238/S.3426): This legislation adds protections for youth up to the age of 26 and creates a new status to classify this age group under. This will allow youth to have their records sealed and enable them to access more supportive services.
- **Pass** the Youth Interrogation Bill (A1963/S1099): This legislation will ensure that young people under 18 have their legal guardians notified prior to being questioned by the police.
- **Pass** Solutions Not Suspensions (A.5691): This legislation will improve the school climate and limit the number of days a student can be suspended to a maximum of 20 days.



#### Support the Human Services Workforce

New York families across the state face significant barriers accessing a wide range of health and human service supports due to severe and widespread workforce shortages. The nonprofit workforce is overwhelmed and underpaid, and counties across the state are struggling to meet the needs of children and families. Until our state addresses this central workforce crisis, families will continue to go without essential services and supports, and children will continue to suffer the long-term effects.

CCC appreciates the Governor's inclusion of a COLA proposal in her last three budgets, particularly following years of budgets that neglected to address the workforce crisis at all. However, the depth of the need is enormous and requires sustained and increased investments. The Executive Budget's proposed 1.5% COLA for health and human services under OPWDD, OMH, OASAS, OCFS, OTDA, and SOFA is insufficient to meet the depth of vacancies and workforce shortages facing the state. **We join advocates from across the state in urging the Governor and elected leaders to support a 3.2% COLA** in response to widespread staffing shortages and rising inflation that are driving the waitlist crisis for children and families.

We also believe the state must go farther than providing an essential annualized COLAs. The state must establish a wage floor for the health and human service workforce, tied to the true cost of living, to lift incomes in the sector and ensure that no worker is paid poverty level wages.

The above recommendations will help ensure children, youth, families, and communities throughout the state thrive.

#### Conclusion

The recommendations in this testimony will build a better, safer, more equitable New York for children and families. We urge state leaders to implement these investments and policy changes in the FY25 State Budget. Thank you for your time and consideration.

<sup>iii</sup> Nierenberg, Danielle. "Food Insecurity is Getting Worse. What Can We Do About It?" Forbes (2023). Retrieved from: https://www.forbes.com/sites/daniellenierenberg/2023/11/03/food-insecurity-is-getting-worse-what-can-we-do-about-it/?sh=3440fb5874b0&eType=EmailBlastContent&eId=d29d4fa1-d72e-4062-a1ff-8f0186bb8090 <sup>iv</sup> Office of Budget Policy and Analysis. "Food Insecurity and Nutritional Assistance Programs." (March 2023).

Retrieved from: https://www.osc.ny.gov/reports/new-yorkers-need-food-insecurity-and-nutritional-assistanceprograms

<sup>&</sup>lt;sup>i</sup> Marr, Chuck, et al. "EITC and Child Tax Credit promote work, reduce poverty, and support children's development, research finds." *Washington, DC: Center on Budget and Policy Priorities* (2015).

<sup>&</sup>lt;sup>ii</sup> Williams E., Waxman S., Legendre J. (2020) "State Earned Income Tax Credits and Minimum Wages Work Best Together". Center on Budget and Policy Priorities. Retrieved from: https://www.cbpp.org/research/state-budgetand-tax/state-earned-income-tax-credits-and-minimum-wages-work-best-together

<sup>&</sup>lt;sup>v</sup> In New York State (data does not include NYC) saw a decline of 73% in total arrests, and a decline of 68% in Index Crimes for young people under the age of 18. In NYC alone, there was a decline of 77% in total arrests, and a decline of 48% in Index Crimes. Data from DCJS Juvenile Arrests (Non-NYC) 2013-2022; Analysis of NYPD data by CCC for 2013-2022.