



**Testimony of United Neighborhood Houses
Before the New York State Assembly and New York State Senate
Joint Legislative Public Hearing on the FY 2024-FY 2025 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**

January 31, 2024

Thank you for the opportunity to submit testimony on the FY 2024-2025 Executive Budget and Human Services. United Neighborhood Houses (UNH) is a policy and social change organization representing neighborhood-based settlement houses that reach 770,000 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.

In a year of tight finances, 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. Specifically, we outline budget priorities for the following priorities:

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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 2024-2025 New York State Budget, to support the resettlement of asylum seekers in neighborhoods across the State.**

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 services including employment programs, food pantries, children's and afterschool programs, language and literacy education, legal counseling, eviction prevention, arts programming, senior services, and mental health services. The Settlement House Program remains one of the few sources of person-centered and non-siloed government funding for settlement houses, allowing each one to respond to the unique needs of its neighborhood.

Settlement houses have been welcoming immigrant New Yorkers since their founding in the late 19th century, and today's wave of the newest New Yorkers is no exception. Settlement houses are experts at pivoting services to support the most urgent needs in their neighborhoods, whether it was providing community and mental health support after 9/11, providing emergency housing assistance during Hurricane Sandy, or opening new food pantries during the COVID-19 pandemic. The most recent wave of immigrants in New York demands both emergency and long-term resources, and settlement houses are well-positioned to serve these needs. While every settlement house reports serving newcomers, 88% have not received any new government funding to carry out this work, per a [fall 2023 survey of settlement houses](#).¹ The Settlement House Program can help fill these gaps. With additional funds, settlement houses will provide direct services to the new needs facing asylum seekers, in addition to longer-term New Yorkers.

Some examples of how settlement houses are currently using Settlement House Program funds – and how they could expand this work to serve asylum seekers – include:

- WHEDco uses the funding in the South Bronx to provide social workers in middle school programs to help address the high incidence of mental health needs that children are experiencing after a long pandemic; and now, WHEDco's social workers are pivoting to meet emerging needs and trauma faced by migrant children who have entered WHEDco's partner middle schools.
- Syracuse Northeast Community Center in Central New York uses SHP funds to support their basic needs pantry that provides a full range of fresh foods and produce as well as personal care items to the neighborhood, and are seeing pantry needs growing as more asylum seekers arrive in Syracuse.
- Trinity Alliance of the Capital Region uses the funds to focus on housing resources for low-income neighbors facing severe economic hardship, including those at-risk of eviction; with workers beginning to support urgent housing needs for new migrants.

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 completed its most recent procurement in 2021, and five-year contracts began on September 1, 2021. In recent years, new organizations have committed to the

¹ *Settlement Houses Supporting the Newest New Yorkers: Voices from the Field*, available at unhny.org/reports

settlement house model of serving individuals and families in their communities, and as a result the program expanded by 48 to 53 contracts during this procurement. 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, totaling \$450,000 in cuts.

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 influx of asylum seekers into communities over the last year and a half. Recent inflation demands and rising labor costs (including minimum wage increases) over the last decade have put additional strain on this small but powerful funding source.

Unfortunately, the Executive chose to eliminate Settlement House Program funding in the FY 2024-2025 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. Funding has fluctuated over the last two decades, 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 for the last several years.

Legislative action is urgently needed to avert this cut, and an increase over last year's funding is crucial to account for the essential neighborhood services these settlement houses provide to asylum seekers and long-time low- and moderate-income New Yorkers.

A modest investment of \$5 million into the Settlement House Program will allow New York's settlement houses to remain nimble as they respond to evolving community needs.

Funding in the amount of \$5 million would accomplish three things:

- 1) Restore the \$2.45 million that was secured in the FY 2023-2024 Enacted Budget.
- 2) Restore the \$450,000 in funding cuts that many individual settlement houses assumed in 2021.
- 3) Allow settlement houses to better address the growing asylum seeker population in their neighborhoods with a \$2.1 million increase.

Settlement House Workforce and the COLA

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.² Low wages, exacerbated by burnout from the

²https://uploads.prod01.oregon.platform-os.com/instances/542/assets/9_1%20-%202022%20Wage%20Equity%20Report%20-%20AS.pdf?updated=1663187768

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).³ 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 a State law ensuring an annual COLA for human service workers 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 is grateful that Governor Hochul has consistently funded a COLA, recognizing the importance of the State's nonprofit human services workforce. Unfortunately, at 1.5%, the Governor's proposed investment in the FY 24-25 Executive Budget is insufficient to meet the need. **UNH urges the Legislature to fight for at least a 3.2% COLA 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 many State-funded human service workers are left behind each year, and will miss out again without the Legislature's action. Because the COLA language has remained relatively unchanged in the budget each year – stretching back to 2005 – the programs listed out for each state agency do not include newer programs, and in some cases even rely on old program names.⁴ Because of this, every time the budget includes a human services COLA, many human services workers across the state do not receive that COLA and instead are held at poverty-level wages due to the State's inaction. This has made it challenging for settlement houses and other community-based nonprofit organizations to hire and retain qualified staff. It also creates challenges within multi-service agencies when some staff receive a COLA, while others do not. Dozens of programs are excluded from the COLA statute, including Naturally Occurring Retirement Communities (NORCs), Advantage and Empire After School, Supportive Housing programs, Adult Literacy Education, and Community Schools.

There are a pair of bills that would resolve this issue and ensure that future COLAs keep human service workforce wages from falling behind inflation. They are: S.7793 (Persaud)/A.8437 (Hevesi), which adds certain human services programs to the designated human services programs eligible for a cost of living adjustment. S.1291 (Brouk)/A.4046 (Gunther) which would index future COLAs to inflation. **UNH urges the Legislature to pass S.7793/A.8437 and S.1291/A.4046, and to adopt language from these bills into the FY 24-25 budget.**

Minimum Wage Increase

UNH was grateful that last year's budget included a much-needed increase in the State's minimum wage. Workers across the State—including settlement house workers and the human services workforce at large—will benefit from three years of planned increases. As is always the case when the State increases the minimum wage, it is essential that State agencies review existing contracts to ensure that there is sufficient funding available in program budgets for providers to comply with the new law. For many State-contracted positions, it is also essential that Commissioners and their teams consider the impacts of wage compression on worker morale and include sufficient funding in program budgets to ensure this compression does not take place.

³ 2022 UNH member salary survey. Based on a survey of 42 UNH members conducted from Dec. 2022 to Jan. 2023

⁴ For example, the State Office for the Aging renamed its nutrition program from SNAP to Wellness In Nutrition (WIN) in 2013, to avoid confusion with the federal SNAP program; but the COLA language continues to say SNAP to this day.

The 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 2021 [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. An update to this report, released in January 2024, once again surveyed over 1,000 settlement house families once the expanded CTC payments expired. The report, [Progress Lost: Hardships Persist for New York Families After the End of the Expanded Child Tax Credit](#), found that families continue to experience persistent ongoing challenges in providing for their children: nearly 40 percent of parents surveyed said that they "always" or "often" ran out of money in the past six months and about a quarter of parents said that they had to take on additional employment to pay the bills.

Last year, the State took an extraordinary action by expanding the Empire State Child Credit (ESCC) to children under 4, including over 800K formerly excluded children. By including infants and toddlers, the current credit will be able to support new or growing families. **This year, UNH supports the Working Families Tax Credit (WFTC), which would build on this success** by increasing the value of the credit on a sliding scale based on income and number of children to between \$500 and \$1600 per child, with the lowest-income families receiving the largest credit. The WFTC also eliminates the Dependent Exemption for any children aged 0 to 17 while maintaining it for older child dependents (age 18 or 23 if a student) and qualifying relatives.

In addition, the Working Families Tax Credit would replace the Earned Income Tax Credit. Currently, only U.S. citizens who file their taxes in New York are eligible for this crucial income support, thus excluding hundreds of thousands of New Yorkers who are not citizens but file taxes in the State and contribute to their communities. The Working Families Tax Credit would grant access for non-citizens who file tax returns in New York, ensuring that no New Yorker in need is excluded.

The State investment should model legislation introduced by Senator Gounardes (S.277B) and Assemblymember Hevesi (A4022B). It is estimated to cost \$2 billion, while also expected to reduce child poverty statewide by 13 percent and provide secondary economic benefits.

Early Childhood Education

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 2024-2025 Executive Budget has proposed a nearly **\$1.8 billion increase in resources towards child care assistance**, including proposals to reimburse child care providers for

quality improvements, pilot staffed Family Child Care Networks (FCCNs), and double the amount of early childhood mental health consultations across the State.

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 go further and 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 child care workforce, ensuring all families can access child care regardless of immigration status, and removing barriers that keep parents working nontraditional hours from accessing child care assistance.

Child Care Workforce Compensation Fund

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 invest \$1.2 billion in a permanent state child care workforce compensation fund**, which would make it robustly resourced and sufficient to offer all child care workers compensation parity with similar positions in the public school system.

Caring adults play a critical role in supporting children's social, emotional, and intellectual development. Child care centers want to retain staff committed to the children, families, and communities they serve. Still, much of the early childhood workforce at CBOs remain transient. In NYC, staff often depart for similar positions with NYC Public Schools (NYCPS), or pivot to higher-paying opportunities in other industries, often taking on entry-level roles. Furthermore, because of low wages among our State’s child care workforce, CBO center-based programs are left with staff shortages, preventing them from running at full capacity due to required children-adult ratios, which can be destabilizing to the development of young children who need continuity in order to thrive.

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 the public school system.

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. Due to restrictions on certain funding sources, the only public programs that children can currently join are 3-K or Pre-K in New York City, and federal Head Start. This leaves a major gap in care for undocumented immigrants across the State, including the large number of recent asylum seekers in New York City and beyond. UNH supports legislation that would eliminate these care barriers.

The State should work toward eliminating citizenship requirements that currently exist for certain extended day/year public child care programs. Therefore, **UNH urges the state to include \$50 million of State funded child care assistance** to immigrant children barred by federal law from participating in the New York’s Child Care Assistance Program (CCAP), in order to make sure no New York children are denied child care assistance due to their immigration status.

This approach was taken by New York City in its FY 2024 budget, with the provision of \$16 million that was distributed to nonprofits to provide child care vouchers to low-income undocumented children.

Under the City's 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 in charge of screening and selecting families in need of child care support. The program serves around 600 children citywide, though there is high demand from families and providers to expand the program

Decouple Child Care Assistance From Parents' Work Hours

In New York State, parents' hours of work are tied to the care and education that their children can have access to while using child care assistance. This effectively means that parents with non-traditional work schedules are unable to access subsidized care. This restriction is especially burdensome on the lowest-income New Yorkers, as well as detrimental to children's wellbeing by denying them the consistent early education that would allow them to thrive. In 2023, the bill S.5327A/A.4986A that aimed to end this restriction passed the Legislature with overwhelming support and was vetoed by the Governor, citing fiscal reasons. Similarly, a nearly identical bill passed the Legislature in 2022 but the way it was written limited its applicability.

Ending this long-standing and inequitable rule would allow parents working nontraditional hours, gig workers, and people with fluctuating schedules to access child care, thus eliminating a barrier that keeps families from getting the support they need. To accomplish this, **the State budget should include a \$70 million investment toward ending this restriction.**

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.

The Executive Budget proposes combining the Empire State After School and Advantage After School Programs into one unified after-school program, and proposes a \$12.5 million funding increase from last year's Enacted Budget. This is a positive development, as one statewide program will offer a comprehensive experience for youth. However, these actions are insufficient as after-school investments have remained level for years and current contracts 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 2024-2025 Enacted Budget should invest an additional \$127 million in the creation of this consolidated after-school program for a total investment of \$219 million.** This would provide after-school programming for at least 50,000 youth and ensure an average cost-per-participant rate of \$4300, a critical increase that would ensure high-quality, engaging programs, equitable wages for staff, and build a sustainable after-school network in New York State.

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.

Research conducted by RAND with Vanderbilt⁵ 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 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.⁶ 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.

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:

- **Dedicate \$100 million to expand community schools statewide.** 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:
 - Help prioritize the hiring of a community schools coordinator/director, whose leadership and coordination role is central to the community schools strategy.
 - Increase the capacity of school districts to integrate comprehensive programs, structures, and systems that help equitably meet the holistic needs of students.
 - 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

⁵ <https://fordhaminstitute.org/national/commentary/impact-community-schools-attendance-and-achievement>

⁶ 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

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 2024-2025 budget. The Executive Budget restored \$9.3 million to ALE this year, which absorbs a \$1.5 million legislative addition. 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.

Demand for adult literacy services has increased as over 140,000 individuals seeking asylum have arrived in New York. The tens of thousands of new arrivals can boost NY's economy, but they need English language support. The Center for an Urban Future (Sept 2023) reports that "meeting current demand will require a major scaling-up of ESOL infrastructure and capacity⁷." The inadequate funding for adult literacy and ESOL classes results in long waiting lists and limited services, blocking many individuals from accessing workforce training and employment. A greater investment in ALE must be part of the State's strategy to support newcomers to enter the local workforce and support their families, as well as to better serve and reach more adult learners.

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 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, the State must increase the total funding for ALE to \$27.9 million to serve nearly 10,000 adult learners:

- \$18.6 million will be used to renew and double the current ALE funding to better serve the existing number of students (6,000). As student needs and program costs have increased, 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. Budget language must take this into account.
- \$9.3 million will be used to expand services to additional students (+3,000).

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 do 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 2% 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 6,000 students that are currently being served through this program and to expand services to more adults in need of educational opportunities.

⁷ Felipe De La Hoz (September 2023). *Preparing Today's Asylum Seekers to be Tomorrow's Workforce*. Center for an Urban Future. <https://nycfuture.org/research/preparing-todays-asylum-seekers-for-tomorrows-jobs>.

Access to Representation and Supporting Immigrant Families

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.

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.

To ensure successful implementation, **UNH also recommends the State allocates \$150 million to meet urgent and long-term legal and social service needs of immigrant families in New York.** This investment should comprise:

- \$62 million for deportation defense;
- \$65 million for infrastructure including training, recruitment, retention, & rapid response; and
- \$23 million for education and integration.

Our State must equip all immigrants facing deportation with the basic tools and support they need to protect their rights, secure economic stability, and remain united with their families. The \$44.2 million the Governor proposed to fund immigration services in the Executive Budget falls short of last year's \$63 million investment amounts to a cut of \$20 million for critical services that are now needed more than ever.

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.

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).⁸

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 nearly \$159,000 per year;⁹ 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

⁸ Throughout this testimony "NORC" refers to both NORC and NNORC programs.

⁹ Genworth Cost of Care Survey 2021: <https://www.genworth.com/aging-and-you/finances/cost-of-care.html>

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 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.¹⁰ This supports 43 NORC contracts throughout the State. **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 to support older adults, 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 consistent, quality care they provide. While no two programs are identical, the average NORC program utilizes 22 nurse hours per week.¹¹

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 five 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 was increased to \$1,000,000 in FY 2021-2022 where it remains today and representing close to the full need. Each NORC received \$23,256 in their 2023 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.

¹⁰ NORC/NNORCs are funded in two separate budget lines.

¹¹ According to a survey of NORC Program Directors completed in November 2018 – note all additional data in this section was compiled from this survey.

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, adding 14 new programs into NYSOFA's portfolio of 43 total NORCs. 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 enthusiasm for this expansion, and if funding is available they will issue a competitive procurement to select the new programs.

Notably, in 2023 the Governor signed S.3392 (May)/A.5915 (Kim), which updates the NORC statute to increase flexibility on building height restrictions that limited eligibility for the program in the past. This update is especially relevant for upstate cities, where certain buildings have expressed interest in becoming NORCs or Neighborhood NORCs in the past but were ineligible.

Aging Services

There are now 4.5 million older adult New Yorkers, up 30 percent from 3.5 million a decade ago (in 2011). The older adult population in counties outside of New York City has increased by 28 percent in the past decade, while in New York City it increased by a third over the past decade, from 1.3 million in 2011 to nearly 1.8 million in 2021.¹² Despite this growth, the State Office for the Aging (SOFA) has seen only limited new investments that have not kept pace with demand, and today less than one percent of the State budget supports community-based care for the elderly. **UNH joins our partners in supporting a doubling of New York's budget for aging services - \$252.5 million more - including preventive and cost-saving investments for New York's exploding older population.**

Tens of thousands of New Yorkers are on waiting lists for preventive and cost-saving in-home services for the elderly – services such as home delivered meals, social adult day care programs, and assistance with grocery shopping, bathing, and other daily activities. These services help prevent unwanted moves to much costlier nursing homes and other institutional settings, which are funded in large part through Medicaid. According to an analysis by the Association on Aging in NY, at the end of 2023 there was a waitlist for services of at least 18,857 individuals throughout the State, which is certainly an undercount as some counties do not keep waiting lists for all services, including New York City. The State has included one-time funding for the last several years to clear waiting lists, including \$8 million for unmet needs in the FY 23-24 Executive Budget, but this funding has been provided for three budget cycles now and is insufficient to meet the full need.

In particular, many settlement houses are home delivered meals (HDM) providers, often referred to as "meals on wheels." These programs offer crucial support for older adults across the state. 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. New York City providers face

¹² 5-year American Community Survey data, US Census Bureau. Excludes older adults who are in institutions or other group quarters.

particular funding challenges in their rate reimbursements from NYC Aging, which is timely as the City prepares to issue a new competitive procurement for the program in 2024.

The Governor's Executive Budget includes stable funding for SOFA's major budget lines, including Community Services for the Elderly (CSE) and Expanded In-Home Services for the Elderly (EISEP), with the exception of a 1.5% cost of living adjustment. We understand that any COLAs for SOFA are used to cover non-Medicaid home care wage increases and do not support any other aging services staff. Inclusive of this small increase, **the FY 24-25 budget must include an increase of \$252.2 million to support aging services.** Such an increase would more than pay for itself by keeping older New Yorkers off Medicaid.

Addressing Food Insecurity

Food insecurity emerged as a top community need at settlement houses during the pandemic, and today, 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:

- **Incorporate language from S.7663 (May) / A.6214 (Gonzalez-Rojas) to establish a state SNAP minimum benefit program.** Last year, the nearly 3 million New Yorkers who participate in the Supplemental Nutrition Assistance Program (SNAP) saw a significant decrease to their monthly benefits. New York households saw an average loss of \$151 per month, while some saw their monthly benefits drop to just \$23. Worse, this loss of benefits comes as families and individuals continue to face higher prices at the grocery store. With food insecurity on the rise, we urge the State to support an adequate minimum SNAP benefit of \$100 per month. Legislation on this issue has been introduced by Senator Rachel May (S.7663) and Assemblymember Jessica González-Rojas (A.6214). Further 66% of registered NY voters supported increasing SNAP minimum benefits to \$100 a month, according to a November Siena College poll.
- **Increase the Hunger Prevention Nutrition Assistance Program Funding to \$64 million.** We are concerned about the apparent reduction of \$22 million from the FY23 Budget to this incredibly impactful program that addresses the ongoing hunger crises. Given rising levels of inflation and increased demand at emergency food providers across the state, we call on the State not to cut the \$22 million as well as an increase in program funding for a total of \$64 million per year. 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.
- **Increase Nourish NY (NNY) Funding to \$75 million.** NNY 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 an increase in funding for the program to \$75 million per year to keep up with demand. We urge the State to increase transparency and evaluation of this program by making public information on who receives Nourish NY funding, and at what levels, as well as data on and analysis of the economic, farming, supply chain, anti-hunger and nutrition impacts of the program. There is currently only one training on Nourish management which does not provide enough guidance and resources for program management. We urge additional trainings to be provided as well as more communication around existing resources. Finally, we ask that the Administration provide more clarity regarding the NNY and HPNAP programs including related to funding, applications and administration so that providers are better able to navigate the funding structures.

- **Maintain funding for the Nutrition Outreach and Education Program (NOEP) at \$5.45 million, restoring and building on previous State investments.** NOEP funds public outreach and education around participation in SNAP and promotes participation in WIC, and school meals and summer meals. The program is federally-matched, offering enormous economic benefits. Unfortunately, the Executive Budget cuts this program by \$1.95 million this year, and we must restore it to its full value of \$5.45 million.
- **Establish and fund a State task force to study the development and impact of a State funded nutrition program for undocumented New Yorkers that are not eligible for the Supplemental Nutrition Assistance Program (SNAP).** In addition to the many long term undocumented families here in New York, there is an unprecedented number of asylum seekers, migrant families and refugees arriving into the State every week. To help meet their nutrition needs and take pressure off of the emergency food system, we ask that the FY 24-25 budget include language found in S.7692 (Salazar)/A5933 (Gonzalez-Rojas) to create a task force including representatives from OTDA, anti-hunger groups, 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 New York.

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 2022-2023 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. The Dormitory Authority recently opened applications for this round of funding and we know many settlement houses in UNH's network are applying.

Still, nonprofits' need for capital funding is massive, and no new NICIP funding was included in the FY 2023-2024 budget nor in this year's Executive Budget. **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.