



**Testimony of United Neighborhood Houses
Before the New York State Assembly and New York State Senate
Joint Legislative Public Hearing on the FY 2025-FY 2026 Executive Budget
Topic: Human Services**

**Assembly Committee on Ways & Means, Assemblymember Gary Pretlow, 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 Rebecca A. Seawright, Chair
Senate Committee on Aging, Senator Cordell Cleare, Chair**

February 12, 2025

Thank you for the opportunity to submit testimony on the FY 2025-2026 Executive Budget and Human Services. United Neighborhood Houses (UNH) is a policy and social change organization representing neighborhood-based settlement houses that reach 800,000 New Yorkers from all walks of life at over 800 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 potentially drastic budgetary impacts from the new federal administration, UNH looks to our State Legislative leaders to preserve and strengthen the safety net programs outlined below, and to develop a comprehensive, long-term plan for ensuring affordability and economic security for 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 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 2025-2026 New York State Budget, to help settlement houses respond to the most urgent neighborhood 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 services including employment programs, food pantries, children's and afterschool programs, language and literacy education, legal counseling, eviction prevention, 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 go above and beyond 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 are experts at pivoting services to support the most urgent needs in their neighborhoods. 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, most have not received any new government funding to carry out this work. The Settlement House Program is helping to fill these gaps.

Some examples of how settlement houses are currently using Settlement House Program funds 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 more recently, WHEDco's social workers have pivoted 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 these 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, which has been experiencing higher demand recently.
- 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.
- The Chinese-American Planning Council uses their Settlement House Program funds in New York City to offer support, benefits screening, and training to older adults to help them stay in the workforce so they can have a greater level of financial stability in the midst of potential age discrimination at work, in addition to providing regular wellness checks to these older adults.

In FY 2024-2025, the Settlement House Program received its first funding increase in over a decade, bringing the total value to \$4 million, a 60% increase over the previous year's value. This was a very positive development, and is enabling settlement houses to provide enhanced services to anyone who walks through their doors. Many settlement houses report using the increased funds to support their workforce through raises and retention bonuses, while some are also using the funds to expand services – for example, to provide more congregate meal service at senior centers, to cover vehicle maintenance to sustain a free neighborhood transportation service, and to expand hours for a housing services navigator. An increase to a total of \$5 million will enable these programs to go further in supporting their neighbors. Notably, the Settlement House Program was funded at a high of \$8.4 million in FY 2009-2010.

Settlement House Program grantees 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. The current five-year contract period will expire on August 31, 2026. At the same time, the program is fully funded by the Legislature each year, and this year’s Executive Budget once again did not fund the Settlement House Program. **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.**

Organizations currently receiving Settlement House Program funds include:

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| ★ Arab American Family Support Center* | ★ New Settlement Apartments* |
| ★ Baden Street Settlement of Rochester | ★ Northern Manhattan Improvement Corporation* |
| ★ Booker T. Washington Community Center | ★ Ocean Bay Community Development Corp* |
| ★ Broadway Housing Communities* | ★ Project Hospitality* |
| ★ Bronx House* | ★ Queens Community House* |
| ★ BronxWorks* | ★ Red Hook Initiative* |
| ★ Broome County Urban League | ★ Riverdale Neighborhood House* |
| ★ Buffalo Federation of Neighborhood Centers | ★ SCAN-Harbor* |
| ★ CAMBA* | ★ School Settlement Association* |
| ★ Charles Settlement House | ★ Shorefront YM-YWHA of Brighton-Manhattan Beach* |
| ★ Chinese-American Planning Council* | ★ Southeast Bronx Neighborhood Centers* |
| ★ Claremont Neighborhood Center | ★ Southwest Area Neighborhood Association* |
| ★ Community Place of Greater Rochester | ★ Spanish Action League of Onondaga County |
| ★ Cypress Hills Local Development Corporation* | ★ St. Nicks Alliance* |
| ★ East Side House* | ★ Stanley M Isaacs Neighborhood Center* |
| ★ Educational Alliance* | ★ Sunnyside Community Services* |
| ★ Goddard Riverside Community Center* | ★ Syracuse Model Neighborhood Facility |
| ★ Grand Street Settlement* | ★ Syracuse Northeast Community Center* |
| ★ Greenwich House* | ★ The Neighborhood Center |
| ★ Hartley House* | ★ Trinity Alliance* |
| ★ Henry Street Settlement* | ★ Union Settlement* |
| ★ Hudson Guild* | ★ United Community Centers* |
| ★ Jacob A. Riis Neighborhood Settlement* | ★ University Settlement Society of New York* |
| ★ Jewish Community Council of Greater Coney Island | ★ Westcott Community Center* |
| ★ Kingsbridge Heights Community Center* | ★ Women’s Housing and Economic Development Corporation (WHEDco)* |
| ★ Lenox Hill Neighborhood House* | |
| ★ Martin Luther King Multi-Purpose Center* | |
| ★ Mosholu Montefiore Community Center* | |

* UNH member

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. It is crucial that this budget include investments in nonprofit organizational health to keep the sector thriving and programs running. Most urgently this year, **the Budget must support the human services workforce by funding a 7.8% Cost of Living Adjustment (COLA), and ensure ALL human services workers can access the COLA through provisions lined out in S.1580 (Persaud)/A.2590 (Hevesi).**

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.¹ 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 a third (33 percent) reported a double-digit increase in their average job vacancy rate over the past year (10 percent or higher).² Insufficient staffing has made it increasingly difficult for nonprofits to serve New Yorkers.

Fund a 7.8% COLA

New York State is statutorily required to provide annual cost of living increases (COLAs) to contracted human service workers – those that provide mental and behavioral health care, supportive housing, youth and child services, foster care, aging services, and a whole host of services for New Yorkers from all walks of life. With over 800,000 human service workers across the State, many of whom are women and people of color, the COLA is a critical mechanism to ensure that nonprofit providers have the necessary resources to keep up with the true cost of providing services and supports.

For many years, the COLA was deferred, contributing to an industry-wide staffing crisis that negatively affects providers' ability to provide essential community services. Governor Hochul rightfully broke that cycle of divestment and has funded cost of living increases for human services workers in the last three budgets. This has been a very welcome development, and a step in the right direction to invest in this workforce and attract talent to this critical sector. Still, due to decades of divestment and cuts, the sector is in a remarkably fragile state. This inequitable system has forced nonprofits to operate with significantly less resources, and reduces the possibility of staff earning wages and benefits equivalent to comparable positions in either government or the private sector.

Recognizing this, **the sector has come together to collectively request that a 7.8% investment in rates across the human services providers be included in the FY 25-26 Budget.** This investment will provide the necessary resources to improve and make meaningful progress in increasing wages for direct care and frontline workers' wages and to address inflationary increases related to benefits, maintenance, utilities, food, supplies, transportation, and insurance. A 7.8% investment, accounting for the growth in the Consumer Price Index for the last three years (minus the portion that has been funded in previous COLAs), will be particularly impactful and alleviate the financial strain many have faced while working in the sector. The FY 25-26 Executive Budget included a 2.1% "Targeted Inflationary Increase" this year that will be applied similarly to previous COLAs. The Governor's proposed investment is insufficient to meet the deep needs of the human services sector.

In addition, S.377 (Brouk)/A.4046 of 2024 (Gunther) would index future human services COLAs to inflation, a crucial policy to ensure the COLA is sustainable.

¹https://uploads.prod01.oregon.platform-os.com/instances/542/assets/9_1%20-%202022%20Wage%20Equity%20Report%20-%20AS.pdf?updated=1663187768

² 2024 UNH member salary survey. Based on a survey of 39 UNH members conducted from Dec. 2024 to Jan. 2024

Include ALL Human Services Workers in the COLA

In addition to providing a 7.8% COLA, **the State must also ensure that the COLA is accessible to ALL human services workers.** Currently, the State's human services COLA does not apply to every human services worker and program in New York State. COLA language has remained relatively unchanged in the budget each year – stretching back to 2005 – and the programs listed out for each state agency do not include newer programs, and in some cases even rely on old program names. Because of this, when 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.

The State's COLA statute must be amended to be inclusive of all State-contracted human services programs, including contracts held by DCJS, DOH, NYSED, NYSOFA, OASAS, OCFS, OMH, OPDV, OPWDD, OTDA, and OVS. Critical programs such as Naturally Occurring Retirement Communities (NORCs), LEAPS afterschool, crime victim services, supportive housing, Adult Literacy Education (ALE), and rape crisis counselors are erroneously excluded from the COLA and are essential to meet the human services needs of New York's adults, children, and families. A complete list of excluded programs can be found in legislation **S.1580 (Persaud)/A.2590 (Hevesi)**. **This language must be included in the FY 25-26 Budget in the Health and Mental Hygiene bill section FF.**

Provide Funding for Minimum Wage Increases

UNH is grateful that our State recently raised the minimum wage, which will increase to \$17 by 2026 in New York City, Long Island, and Westchester County; and \$16 for the remaining counties in the State, with future increases tied to the rate of increase of the Consumer Price Index. Workers across the State—including settlement house workers and the human services workforce at large—will benefit from these 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 minimum wage 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.

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 new funding and initiatives to support child care, including \$110 million in capital funding to build new child care facilities and renovate existing centers, creating a corps of substitutes for child care programs, and work toward the ultimate goal of universal child care through a new task force that will convene business and labor leaders.

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. This year, the State must take steps toward stabilizing and transforming New York's early childhood system by **investing \$1.2 billion in the essential child care workforce, providing \$400 million in the Child Care Assistance Program (CCAP) to ensure all families can access child care regardless of their income levels, and invest funding to maintain child care assistance for low-income families in New York City.**

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.

In 2023, one-time retention bonuses were awarded to child care educators through OCFS, and programs reported these bonuses helped, but the amount, and their onetime nature didn't solve providers' persistent recruitment and retention challenges. The FY26 Executive Budget allocates no funds for the child care workforce, therefore if nothing is added before the budget is finalized, this will be the first time since the pandemic that there are no funds for the child care workforce.

States across the country are confronting this fiscal cliff for their child care workforce, and creating their own funding streams to keep supporting and growing the workforce. New York State must act accordingly to continue stabilizing the sector and to boost the wages of these workers.

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. As parents struggle with long waiting lists and higher costs for tuition, investing directly in the child care workforce will allow passionate educators to stay in these jobs and help New York build capacity to serve more families and a workforce pipeline for the future. UNH explores these issues in our recent policy brief, *A Critical Investment: Why New York Needs a Permanent Child Care Workforce Compensation Fund*.³

Child Care Eligibility

As we move toward universal child care in New York State, we must begin by making sure the lowest income families are guaranteed child care assistance. The State must do so by **investing \$400 million to end inequitable barriers and expand funding to the Child Care Assistance Program (CCAP)** by:

- Ending New York's rule of denying CCAP because a parent earns too little.

³https://assets.nationbuilder.com/unhny/pages/1134/attachments/original/1738029341/A_Critical_Investment_-_Why_New_York_Needs_a_Permanent_Child_Care_Workforce_Compensation_Fund.pdf?1738029341

- Ending the requirement that CCAP will only be paid for the exact hours a parent works, is in school, or is in training.
- Guaranteeing CCAP to all eligible families with income at less than 250% of the federal poverty level.

Lastly, this \$400 million investment would help address the fiscal impact cited by the Governor when vetoing related bills in 2024.

CCBG Funding for NYC

New York City relies on Child Care Block Grant (CCBG) funds to support critical components of its subsidized child care system. With encouragement from OCFS, New York City has expanded access to child care assistance, particularly through vouchers for low-income families. Between June 2022 and January 2025, the number of children using a low-income child care voucher in New York City increased by over 670%, from 7,400 to 57,700. However, NYC is close to exhausting available CCBG funds. NYC projects exhausting funds as soon as this summer. Several factors are expected to tax limited CCBG funds over the next months:

- *Increased market rates.* In October 2024, NY State implemented new market rates that counties are required to use to reimburse child care providers for serving children in receipt of subsidy. While we strongly support these increases, they are projected to increase spending in NYC by about 20 percent.
- *Increased child care need for families on cash assistance.* In the years following the pandemic, the number of families on cash assistance in need of child care was low. This is because cash assistance requirements to prove engagement in work or training were suspended to ease access to needed cash and therefore, fewer families demonstrated a need for child care. In 2025, NYC will fully re-institute engagement requirements for families on cash assistance. As families are required to engage in work and training activities, the need for child care will increase, putting further demands on CCBG funding.

NYC needs significant investment from the State to maintain enrollment levels. NYC will need the State 2025-2026 Budget to provide an additional \$240 million for FFY25 and a total of \$1.923 billion for FFY26 (about \$900 million above the Governor’s commitment) to maintain child care assistance for low-income families at the level to which NYC has expanded.

Absent additional funding, thousands of NYC families would lose child care assistance. Without adequate resources to maintain the expanded number of children enrolled in care with low-income vouchers, the City would need to dramatically shrink the system. As families’ eligibility ends, each month 4,000-7,000 children would lose child care assistance, as the City would have insufficient funds to recertify their care. This reduction would have a disproportionate impact on families in high poverty neighborhoods. Additionally, child care providers that serve children in receipt of vouchers would face a drop in enrollments that could destabilize their businesses. Without financial support, many parents and caregivers would be unable to afford child care, which may require them to forgo work, reduce their hours, or make suboptimal – and even potentially unsafe – child care arrangements.

Afterschool Programs

Afterschool 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. Afterschool also acts as a crucial support for working families to ensure they have safe, reliable, and

affordable child care for school-aged children. To address growing concerns around affordability and the recent shift in afterschool funding that has resulted in gaps in programming, **the State must expand the LEAPS program by approximately \$155 million to fund all eligible proposals.**

The Executive Budget proposes \$109.74 million in funding for the LEAPS afterschool program, an increase of \$6.5 million over last year's Enacted Budget. This is a positive development, but with the new LEAPS procurement that combined the two former State afterschool programs, the allocation of program slots has shifted dramatically within New York. Although Albany and Fulton County, and some counties in Western NY and the Finger Lakes, saw moderate increases to the local afterschool system, New York City and other city centers saw dramatic reductions in funded programming. In fact, Bronx, Dutchess, Monroe, Nassau, Queens, Suffolk, and Westchester counties all lost over 1,000 program slots, with the Bronx losing approximately 4,000 slots. Based on publicly available data from the Office of Children and Families (OCFS), UNH created a map estimating this shift in the allocation of state-funded afterschool slots by county. You can find that map here: <https://datawrapper.dwcdn.net/GdE4v/15/>. We commend the expansion of programming upstate as we know these regions have long been starved of sufficient youth funding. However, the dramatic loss of after-school programming in other regions has resulted in an unmet need and an untapped opportunity.

With additional funding in this year's budget, providers with eligible proposals, many of whom previously operated state-funded afterschool, would be able to reestablish programming and continue supporting our children and families. In order to meet the increased need for high-quality after-school programming, **the FY 2025-2026 Enacted Budget should fund all LEAPS proposals that received the "approved but not funded" designation during the recent procurement.** We estimate that this will cost \$155 million to fill the gap statewide. To give an example of the impact this funding could have, funding an additional \$23.6 million of approved but not funded proposals in the settlement house network, would result in an additional 8,000 children receiving after-school programming.

Finally, New York must streamline the current contract process for a timely execution of contracts and payments to awarded after-school grantees. Despite a contract start date of September 1, 2024 laid out in the LEAPS RFP, many programs still have no executed contract. This extended delay 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.

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).⁴ **The FY 2025-2026 Budget must invest an additional \$4 million to support the NORC program, specifically to fund nursing services and to pilot a program expansion.**

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. This supports 43 NORCs throughout the State that are contracted by the New York

⁴ Throughout this testimony "NORC" refers to both Classic NORC and Neighborhood NORC programs.

State Office for the Aging (NYSOFA). Given the vast success of NORCs over the past 30 years in helping older adults to age in place, **we urge the State to invest an additional \$4 million in NORCs in the FY 2025-2026 Budget, to bring the State's total annual investment to \$12.055 million. Specifically, this funding will invest in critical health care services that NORCs provide to older adults and expand the number of NORC programs statewide.**

The Need to Invest in NORCs

The number of older adults in our State is growing rapidly: there are now nearly 5 million older adult New Yorkers, up 25 percent from about 4 million roughly a decade ago, according to 2023 American Community Survey Census data. By 2030, the number of older New Yorkers is expected to reach 5.3 million.⁵ In addition, as the State's population ages, a growing number of older adults are living alone, particularly those with the lowest incomes—ACS data shows that 53 percent of poor older adult New York State residents live alone, in contrast to just 15 percent of higher-income older adult New Yorkers.

At the same time, older adults overwhelmingly prefer to age in place at home—a 2021 AARP survey found that 77 percent of adults 50 and older want to remain in their homes for the long term.⁶ Research has also shown that in addition to preventing social isolation, allowing older adults to age in place in their communities has notable health benefits. Civic engagement and volunteering can increase physical function and levels of self-rated health; reduce symptoms of depression and pain; and increase life expectancy.⁷ N/NORCs are a key support system to promote aging in place, and will help meet the needs of this growing population in a fiscally responsible way.

N/NORCs are incredibly cost effective for the State as compared to alternatives. In New York, a private room in a nursing home can cost nearly \$159,000 a year, according to Genworth's 2021 Cost of Care Survey. Meanwhile, NYSOFA estimates the average cost of serving an older adult in a New York State N/NORC program is just \$480 a year. By offering health and social services close to home, N/NORCs can delay institutionalization and reduce the need for hospitalization, emergency department visits, and observation status, generating sizable cost-savings for both older adults and taxpayers. As an example, in a 2012 publication, UJA-Federation of New York estimated that the NORC Program at Penn South Houses forestalled 460 hospital and 317 nursing home stays, saving over \$10 million for residents and taxpayers at that time.⁸

Further, given that older adults participating in NORC programs have better access to necessary nursing and health care services, they are more likely than the general older adult population to be immunized and to utilize preventative care services. A survey of more than 5,000 older adults participating in NORC programs in New York City found that this population had higher rates of flu immunization (77 percent) and pneumonia vaccination (58 percent) than older adults citywide (57 and 48 percent, respectively). That survey also found that older adults in a NORC program were more likely to receive mammograms and colonoscopies.⁹

⁵ <https://www.ny.gov/programs/new-york-states-master-plan-aging>

⁶ <https://www.aarp.org/home-family/your-home/info-2021/home-and-community-preferences-survey.html>

⁷ <https://www.huduser.gov/portal/periodicals/em/fall13/highlight2.html>

⁸ Guo, Kristina L., and Richard J. Castillo. "The US long term care system: Development and expansion of naturally occurring retirement communities as an innovative model for aging in place." *Ageing International* 37 (2012): 210-227.

⁹ Vladeck, Fredda, Rebecca Segel, Mia Oberlink, Michal D. Gursen, and Danylle Rudin. "Health Indicators: A Proactive and Systematic Approach to Healthy Aging." *Cityscape* 12, no. 2 (2010): 67–84.

<http://www.jstor.org/stable/20868745>.

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.¹⁰

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, NORC 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 several budget cycles the Legislature has provided additional funding specifically to support healthcare and nursing services in NORCs. This supplemental nursing funding was first added by the Legislature in FY 2019-2020, and has been added by the Legislature each year since then at \$1 million. Each NORC receives \$23,256 each year in their contracts from that \$1 million in nursing funding. Unfortunately, the largest provider of NORC nursing services recently increased their rates once again, meaning rates have risen by 18% since the Legislature began providing these supplemental funds. We urge the Legislature to fund NORC healthcare services in FY 2025-2026 to stabilize current NORC nursing funds and cover rising healthcare costs.

NORC Expansion

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. Further, according to an analysis in UNH's recent report, *NORCs: An Antidote to Social Isolation*,¹¹ many of the counties in New York State that have seen the largest increases in their older adult populations over the last decade lack NORC programs, including counties in the Hudson Valley and Central New York. In addition, in 2023 the Legislature passed legislation (S.3392 (May)/A.5915 (Kim)) that expands Neighborhood NORC eligibility to buildings that are taller than six stories, closing a loophole that impacted applications in the past and will grant future eligibility to more sites. 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.

With a modest new investment, NYSOFA will be able to create several new NORC programs across the State, which will serve hundreds if not thousands of older adults. Ideally this funding would entail a

¹⁰ According to a survey of NORC Program Directors completed in November 2018 – note all additional data in this section was compiled from this survey.

¹¹http://assets.nationbuilder.com/unhny/pages/12/attachments/original/1711044936/UNH_NORCs_Report.pdf?1711044936

multi-year commitment from the Governor to ensure programmatic sustainability and a strong procurement process. Without that commitment, we propose setting up new NORCs as pilot programs that include deeper funding models than current NORCs (including fully paying for nursing services and deepening programmatic offerings). Notably, the New York City Council follows a similar model by funding several new NORC pilots that later are able to apply for baselined City funding when it is available. NYSOFA has expressed strong enthusiasm for a NORC expansion if funding becomes available.

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." NORCs are tailor-made to fit that vision, and the State must dedicate resources to bolstering this program. **We strongly urge the Legislature to invest \$4 million in supplemental funds for NORCs in the FY 2025-2026 Budget.**

Aging Services

There are now nearly 5 million older adult New Yorkers, up 25 percent from about 4 million a decade ago (in 2013). The older adult population in counties outside of New York City has increased by 23 percent in the past decade, while in New York City it increased by 28 percent over the same period, from 1.5 million in 2013 to 1.9 million in 2023.¹² Despite this growth, the State Office for the Aging (NYSOFA) 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 an \$89 million investment in addressing current needs to support older adults.**

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. **We strongly urge the Legislature to accept the Governor's proposal to invest \$45 million to eliminate service waitlists for aging services.**

While inflation rates are lowering, there is still inflation and impact from previous years where inflation reached record highs, which continue to affect aging services and older adults themselves. Inflation has led to rising costs for food, gas, and other essentials, burdening aging service providers and their ability to meet growing aging needs. Additionally, the recent cost of living adjustment (COLA) intended for human service programs was redirected to cover wage increases for the State's non-Medicaid home care workers, leaving Area Agencies on Aging (AAAs) and community-based organizations struggling to sustain themselves. **We urge the Legislature to invest an additional \$44 million to address inflation and COLA to ensure providers can serve the needs of older adults across New York State.**

¹² 1-year estimates of 2013 and 2023 American Community Survey data, US Census Bureau.

Supporting Immigrant Families

Many of New York's settlement houses started during the last significant wave of migration to New York in the late 1800s, and the work of helping individuals and families successfully settle in New York has never ceased, but merely changed and adapted with the times. Today, the new federal administration has rapidly begun to target immigrants across our country, appearing to follow through on the President's commitment to mass deportation. New York has felt this acutely in the last several weeks, with ICE raids targeting everyday, peaceful New York residents. Settlement houses are rapidly sharing resources so community members know their legal rights, and several offer direct legal services. This year's budget must not ignore this destructive reality and provide funding to support immigrant families in New York.

Access to Representation

UNH urges New York State to pass the first-in-the-nation Access to Representation Act, as laid out in S.141 (Hoylman-Sigal) / A.270 (Cruz), which 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 would establish a right to counsel for New York State residents subject to immigration proceedings, such as those who are in immigration detention; have court cases in the state; or face deportation, an immigration-related arrest, or detention.

With a large population of migrants who recently arrived in New York, many immigrants living in our state, and deep threats to immigrants from the new federal administration, the State must establish a universal right to counsel for these individuals to ensure they have the legal support they will need to navigate immigration court.

Unlike in criminal proceedings, where defendants will be given a lawyer if they cannot afford one, immigrants do not have a right to a government-paid attorney in immigration court. Those who cannot afford to hire a private attorney must find a nonprofit able to help or represent themselves. But immigrant New Yorkers lack affordable legal services, especially outside of New York City. Approximately 50,000 people in New York are unable to access legal representation. Moreover, the uncertainty around continued funding for immigration legal service providers has made it hard for organizations to hire and retain staff, and to guarantee clients they will have lawyers for the duration of their cases.

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. To qualify, eligible immigrants must have at minimum a yearly household income less than 200% of the federal poverty guidelines. The law will also guarantee stable funding streams for immigration legal services, easing uncertainty on both the legal representatives and their clients. This funding must be included in the FY 25-26 Executive Budget.

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.

Legal and Social Service Funding

To ensure successful implementation of the Access to Representation Act, **UNH also recommends the State allocates \$165 million to meet urgent and long-term legal and social service needs of immigrant families in New York.** This investment should comprise:

\$100 million for the Office of New Americans (ONA):

- \$80 million to sustain and supplement existing grants to ensure that legal services providers can recruit and retain staff to keep pace with growing needs;
- \$10 million to fund and connect immigrants with programs that help them preserve their rights, gain citizenship and other immigration benefits, participate in the workforce, and learn English; and
- \$10 million for capacity building for legal service providers so that these organizations have the resources to strengthen their programs and continue to offer high-quality, life-saving assistance.

\$65 million for the State Education Department:

- \$25 million to expand immigration law clinics and fellowships at accredited New York law schools;
- \$20 million for a Student Loan Contribution Plan for attorneys committing to pro bono immigration work; and
- \$20 million to create a five-year program to support individuals seeking Department of Justice accreditation to represent immigrants at risk of deportation.

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.

Adult Literacy Education (ALE)

Currently funded at \$9.8 million in FY 24-25, New York State's Adult Literacy Education (ALE) program is delivered by trusted community-based nonprofits with culturally competent staff, and they can leverage wrap-around support services to serve students better. ALE, which flows through the New York State Education Department (NYSED), is the only state funding stream that is exclusively available to community-based organizations, colleges, libraries and literacy volunteer programs and is flexible enough to serve individuals regardless of immigration status and workforce outcomes that are embedded in the majority of state- and federally-funded adult education programs. To help New Yorkers succeed, **the State should increase the total funding for Adult Literacy Education (ALE) from \$9.8 million to \$12 million** to support adult education programs and serve an additional 1,600 students in FY26.

The FY26 Executive Budget allocated only \$9.3 million from \$9.8 million in FY25, representing a \$500,000 cut in ALE funding. New York must support the academic goals of the 6,800 students that are

currently being served through the Adult Literacy Education program and expand services to 1,600 more adults in need of educational opportunities.

All New Yorkers should have the opportunity to gain foundational literacy skills. Community-based education programs need more support to provide high quality services to the growing number of adults who need them. **We urge the State to invest \$12 million in Adult Literacy Education – a \$2.7 million increase – to expand opportunities and support for New Yorkers who are working hard to build their skills and sustain their families.**

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, particularly given the recent influx of asylum seekers in New York who are grappling with meeting their basic needs. Settlement houses address hunger through benefits enrollment, pantry services, community outreach, and referrals. Still, resources and government support remain sparse. Food is a basic human right and all New Yorkers deserve equal access to vital food assistance.

In this year's budget, the State must address high levels of food insecurity through expanded benefits and programs, building on the Governor's announcement of Universal Free School Meals in the Executive Budget. These include:

- **Raise the SNAP minimum benefit level to at least \$100 per month.** The Supplemental Nutrition Assistance Program (SNAP) is the largest and most impactful anti-hunger program in the United States, providing benefits to nearly 3 million New Yorkers. SNAP has been proven to not only enhance food security but also improve health outcomes, stimulate local economies, and reduce poverty. About 18% of New Yorkers received SNAP benefits in 2024, with benefits totalling \$6.5 billion. SNAP has been proven to enhance food security, improve health outcomes, and lift people out of poverty. It also stimulates the economy: the USDA estimates that every \$1 paid out in SNAP benefits generates \$1.50 in economic activity.¹³

Unfortunately, New Yorkers saw a significant drop in their benefits in 2023 following the end of SNAP Emergency Allotments: households saw an average loss of \$151 per month, while some saw their monthly benefits drop to just \$23. It is simply impossible to afford a month of groceries, let alone a day or two of food, with just \$23. Low benefit amounts are often cited as a barrier to SNAP participation, suggesting that a more adequate minimum benefit could draw down more federal dollars. With food insecurity on the rise and federal SNAP funding at increasing risk, **we urge the State to support an adequate minimum SNAP benefit of at least \$100 per month, through a \$70 million State investment.** Over 107,000 New Yorkers would benefit from this initiative. Legislation on this issue has been introduced by Senator May (S.665) and Assemblymember González-Rojas (A.1318). Further, 66% of registered NY voters supported increasing SNAP minimum benefits to \$100 a month, according to a November 2023 Siena College poll. New Jersey and New Mexico have implemented similar State-funded SNAP supplements.

- **Create a "SNAP 4 All" Program.** New York State should invest in a "SNAP 4 All" program, which will provide food benefits to low-income New Yorkers who are currently ineligible for SNAP due solely to their immigration status. Every New Yorker deserves the basic human right to food,

¹³ <https://www.ers.usda.gov/publications/pub-details/?pubid=93528>

regardless of their citizenship status. Investing in SNAP 4 All ensures every New Yorker has the food they urgently need.

Problem: Food Insecurity on the Rise for Noncitizens: Research published in the [American Journal of Preventive Medicine \(AJPM\)](#) finds that noncitizens are nearly twice as likely to be food insecure compared with U.S.-born and naturalized citizens. According to the American Community Survey, as of 2023, 22 percent of foreign-born residents in New York receive SNAP benefits (equivalent to 1,065,665 residents). Further, the number of foreign-born NY residents who receive SNAP benefits has increased by 19 percent since before the pandemic in 2019. Seeing such high levels of reliance on SNAP among foreign-born New Yorkers, it is jarring to think about the countless numbers of immigrant New Yorkers without status that are hard to count and in need of food.

Problem: Barriers to SNAP Access: Despite such high levels of food insecurity, all too often a family's immigration status will stand in the way of accessing this critical lifeline out of poverty. Federal law limits SNAP participation to U.S. citizens and certain lawfully present non-citizens, such as refugees, asylees, and victims of trafficking. Other lawfully present non-citizens—including Green Card holders and victims of domestic violence—are subjected to arbitrary 5-year waiting periods before they can access benefits. Others are outright excluded, including certain visa holders, individuals granted Temporary Protection Status, DACA recipients, and undocumented New Yorkers. Roughly 800,000 New Yorkers are excluded from SNAP for no other reason than their citizenship status.

Solution: Create a State-funded SNAP program for all New Yorkers, regardless of citizenship status: SNAP 4 All would provide food benefits to income-eligible households currently ineligible for SNAP due solely to their citizenship status, equal to the benefits provided for similarly situated SNAP-eligible households. The program would be run through the Office of Temporary and Disability Assistance (OTDA) with administration led by local social service districts. All currently-excluded immigrant groups would be eligible, including those on 5-year waiting periods. The legislation also requires a culturally-competent outreach plan to ensure strong uptake, regular reporting on the program's success, and data privacy protections. SNAP 4 All is detailed in pending legislation carried by Assemblymember González-Rojas.

Momentum: There is growing momentum around the country for more equitable SNAP access. For example, in 2022, California expanded its state food assistance program¹⁴ to provide benefits for excluded Californians aged 55 and older. Illinois, Maine, Minnesota and Washington have each implemented similar state-funded programs¹⁵ to provide food assistance for excluded immigrant households.

Here in New York, the Child Poverty Reduction Advisory Council recently recommended that Governor Hochul create a state food benefit for households with children that are ineligible for SNAP based on citizenship status, as a pathway towards cutting child poverty by half by 2031.¹⁶ This policy is estimated to cost \$140.8 million. We estimate that a SNAP 4 All policy – which would include households with and without children – would cost no more than \$253 million. **We urge the State to make a bold investment in SNAP 4 All in the Enacted Budget.**

¹⁴ <https://www.cdss.ca.gov/inforesources/calfresh/california-food-assistance-program>

¹⁵ https://www.nilc.org/resources/state_food/

¹⁶ <https://otda.ny.gov/news/meetings/CPRAC/2024-12-18/attachments/2024-12-18-CPRAC-2024-Recommendations-and-Progress-Report.pdf>

- **Increase the Hunger Prevention Nutrition Assistance Program (HPNAP) to \$75 million.** HPNAP is an incredibly impactful program that addresses New Yorkers' ongoing hunger needs. The program provides funding for high-quality food that is distributed to approximately 2,500 Emergency Food Relief Organizations in New York State, including food banks, pantries, soup kitchens and emergency shelters. In each of the last three budgets, the Legislature has invested over \$22 million in additional funding for HPNAP. This funding enables food banks to distribute an extra 30 million pounds of food, while helping nonprofits afford the higher costs of food and transportation. This year's Executive Budget absorbed the Legislative add, maintaining level funding of \$57.8 million. Given rising prices and increased demand at emergency food providers, the State should increase HPNAP funding for a total of \$75 million, which represents a \$17.2 million increase.
- **Increase Nourish NY (NNY) to \$75 million.** NNY enables food providers to purchase directly from New York-based farmers and producers, increasing access to nutritious, locally sourced food. It 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. Last year's budget included a \$4.25 million Legislative add, which this year's Executive Budget absorbed and increased for a program total of \$55 million. The State should build on this support and increase NNY funding to \$75 million – a \$20 million increase – to keep up with demand. In addition, we ask that the Administration provide more clarity regarding the NNY and HPNAP programs related to funding, applications and administration so that providers are better able to navigate the evolving funding structures.
- **Restore funding for the Nutrition Outreach and Education Program (NOEP) at \$5.6 million.** NOEP funds public outreach and education around participation in SNAP and promotes participation in WIC, school meals and summer meals. It is the State's flagship program to ensure all who are eligible receive federally-funded SNAP benefits. The program is federally-matched, offering enormous economic benefits. This year's Executive Budget cut \$2 million from NOEP. The budget must restore this cut and maintain the program, plus the cost-of-living adjustment it received in the Executive Budget, for a total of \$5.6 million.

The Working Families Tax Credit

UNH supports the creation of a Working Families Tax Credit (WFTC) in the FY 2025-2026 Budget, as laid out in S.2082 (Gounardes)/A.3474 (Hevesi). The Working Families Tax Credit would streamline and expand two existing tax credits – the Empire State Child Credit (ESCC) and the Earned Income Tax Credit (EITC) – and the dependent exemption (DE) into one program and provide cash assistance to New York's neediest families. It builds upon Governor Hochul's FY 25-26 Budget proposal to expand the ESCC, which notably is only in place for three years and does not go as far as the WFTC.

UNH Research Supporting a Working Families Tax Credit: Research shows that economic security programs such as the federal 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. 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 survey¹⁷ 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*,¹⁸ 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.

Recent Momentum: In 2023, the State took an extraordinary action by expanding the Empire State Child Credit (ESCC) to children under 4, including over 800,000 formerly excluded children. Last year, the budget included a one-time \$350 million investment in the ESCC to support families. In this year’s Executive Budget, Governor Hochul included a signature proposal to expand the ESCC, raising the credit from a maximum of \$330 per child to a maximum of \$1000 for children under 4 and \$500 for children ages 4 through 16. It ends the “phase in” to ensure the neediest families are able to access the credit, includes ITIN filers, and the gradual phase-out means the credit will support both lower- and middle-income families. All together this plan will support 2.75 million children in 1.6 million families; it represents the most significant expansion of the ESCC in history.

About the WFTC: This is the year for bold, innovative solutions to enhance affordability for New York families, especially as we navigate an unpredictable federal Administration. The Working Families Tax Credit will build on recent expansions to the ESCC by increasing the value of the ESCC on a sliding scale based on income and number of children to up to \$1600 per child, with the lowest-income families receiving the largest credit. In addition, the WFTC 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 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. It would include 17 year olds for the first time, be indexed to inflation each year, and would be a permanent adjustment, versus the Governor’s proposal which is only in place for three years.

In addition, UNH’s research found that stable income that comes more than once a year mattered so families could reliably budget each month. The WFTC would grant payments to families quarterly, rather than annually as is current practice. Because the credit value varies, three payments would be a fixed amount and the final annual payment would come after taxes are filed and adjust the final total.

The WFTC aligns closely with recommendations laid out in the Child Poverty Reduction Advisory Council (CPRAC) in its December 2024 report on how to cut child poverty in half in New York State by 2031. It entails a cost of \$3 billion in new funds once it is fully implemented within five years, but is expected to reduce child poverty statewide by at least 13 percent, result in a tax cut to 22% of New York tax filers, and provide wide secondary economic benefits.

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.

¹⁷ <https://edalliance.org/our-impact-2/sharp/>

¹⁸ https://assets.nationbuilder.com/unhny/pages/12/attachments/original/1705960500/Progress_Lost_Hardships_Persist_for_New_York_Families_After_the_end_of_the_Expanded_Child_Tax_Credit.pdf?1705960500