

# ***OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE***

## ***MISSION***

The Office of Temporary and Disability Assistance (OTDA), working in close collaboration with the Department of Labor and Office of Children and Family Services, helps needy adults and families achieve economic self-sufficiency through work, job training and child support enforcement. The Office also provides economic assistance to aged and disabled persons who are unable to work, transitional support to welfare recipients while they are working toward self-sufficiency and supportive services to low income households to help them avoid welfare dependency.

## ***ORGANIZATION AND STAFFING***

The Office has its central office in Albany and three major field offices throughout the State. These offices provide direct operational support, supervision and guidance to the State's 58 local social services districts which are composed of each county and New York City. Social services districts are responsible for directly administering most welfare programs, including those that serve the homeless and refugees.

Office staff also provide legal, audit and computer systems support. Through its Division of Disability Determinations, the Office also evaluates the medical eligibility of disability claimants for Supplemental Security Income and Social Security Disability Insurance. The office is authorized 2,347 positions for 2004-05. Approximately 463 of these positions are paid by State tax dollars from the General Fund with partial Federal reimbursement and 1,449 are funded directly by Federal grants. The remaining 18 percent are supported by various non-governmental grants and revenues.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

A total of \$4.8 billion is recommended from all funding sources in 2004-05 to support State Operations and Aid to Localities programs including Family Assistance, Safety Net, Supplemental Security Income (SSI), Food Assistance (FAP), Home Energy Assistance (HEAP), child support enforcement and Food Stamp administration.

Aid to Localities is funded by \$4.3 billion in Federal funds, General Fund dollars and other revenue, and includes modest increases in certain programs — Family Assistance, Safety Net Assistance and Supplemental Security Income (SSI) for the aged and disabled — related to economic factors.

For State Operations, an appropriation of approximately \$441 million is recommended from all funding sources. These funds will support a workforce of approximately 2,347, including 1,285 federally funded positions in the Division of Disability Determinations.

The recommended \$51.7 million General Fund appropriation includes: funding for staff and other costs related to the oversight of social services district administration of public assistance and child support enforcement programs; administrative hearings for public assistance, Food Stamp, and Medicaid applicants and recipients; and operation of the major computer systems supporting public assistance programs. Approximately \$523 million in Federal funds and other revenues are recommended for the operation of the Division of Disability Determinations, the Home Energy Assistance program (HEAP) and the Bureau of Refugee and Immigration Affairs.

State funding of \$20 million is appropriated for the cost of redesigning the Welfare Management System (WMS), continued development of the Welfare-to-Work Caseload Management System and related systems initiatives including the Human Services Enterprise Network.

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Specific priorities for the Office of Temporary and Disability Assistance for 2004-05 are as follows:

- In partnership with local social services districts, the Department of Labor and the Office of Children and Family Services operate programs enacted through the State Welfare Reform Act of 1997 so that recipients can transition to work and self-sufficiency and at-risk households can avoid welfare dependency;
- Build upon the substantial accomplishments of recent years by further strengthening child support enforcement to increase parental financial support for children;
- Improve, redesign and more effectively use technology, information and communication to support program operations; and
- Continue to strengthen program integrity and anti-fraud activities throughout the welfare system.

### ***PROGRAM HIGHLIGHTS***

The welfare system in New York State has changed in basic philosophy and approach, bringing to fruition the overall objectives of State welfare reform. These changes include transforming welfare into a system of temporary income support while recipients secure employment and child support payments; promoting individual responsibility; and providing social services districts with the flexibility they need to effectively administer a work-oriented welfare system. The system has evolved from one that focused primarily on determining client eligibility and distributing benefit payments to one that now focuses on assisting individuals achieve independence from publicly supported welfare programs.

OTDA programs also emphasize prevention of welfare dependency by providing work supports and services to at-risk households. These activities help families address life events that could otherwise jeopardize continued employment.

This new approach has resulted in a dramatic decline in welfare caseloads. Since 1995, over 1,028,000 recipients have left the welfare rolls, a 62.6 percent decline. In addition to generating significant State and local government savings, this unprecedented caseload decrease has allowed the State to use TANF Block Grant funding to encourage employment. The programs funded include the Earned Income Tax Credit (EITC) and Child and Dependent Care Credit, and programs that provide transportation, drug and alcohol services, domestic violence screening and child care services.

### ***FAMILY ASSISTANCE***

The Family Assistance program provides employment assessments, support services and time-limited cash assistance to eligible families with children while the parent acquires the necessary work skills to secure and retain employment.

All Family Assistance participants must undergo an assessment of their employability, skills and training needs and, unless disabled, must participate in assigned work activities to remain eligible. Federal financial participation in cash benefits for Family Assistance participants is limited to a cumulative period of five years. If the Family Assistance household is unable to transition off of cash assistance during this period, the family typically moves to the Safety Net Assistance program (discussed below) while the head of household continues to search for a job.

Local social services districts are required to meet Federal work activity participation targets. Under current Federal law, districts must place at least 50 percent of all Family Assistance cases in an allowable work activity for not less than 30 hours per week. State law requires that this activity be work or work-like activities such as job training, community service or workfare. However, current proposals in both Houses of Congress would increase the required work activity requirement to 70 percent of all Family Assistance cases by Federal Fiscal Year 2008.

The Governor's welfare reform program also fosters individual responsibility to help break the cycle of long-term dependency. All applicants and recipients are required to participate in

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screening and assessment to determine if the need for welfare results from use of illegal drugs or excessive consumption of alcoholic beverages. If a participant is unable to work because of such circumstances, he or she is referred to an appropriate treatment program. Teen parents must attend high school or other approved education programs to receive welfare benefits.

Welfare reform also requires each social services district to screen its Family Assistance caseload for domestic violence. Acting through its designated domestic violence liaison, each district informs the individual of services they may access on a voluntary basis. Districts waive application of welfare program rules, including but not limited to child support cooperation and work requirements, if the district determines that these provisions would cause further risk or make it more difficult for the person to escape domestic violence.

Homeless families in the State's transitional and emergency shelter system also are expected to strive for self-sufficiency. These facilities help homeless families achieve this goal by strengthening their independent living skills and helping them to acquire permanent housing. To this end, the Governor is continuing funding for family shelters, housing subsidy and homeless support services programs in SFY 2004-05.

In November 2003, New York increased the maximum amount that may be provided to families on welfare for shelter costs to improve housing quality and availability. Local districts were also authorized, at local discretion, to provide additional rent supplement payments to homeless families and families facing eviction. The increased shelter allowance, combined with the provision of rent subsidies and various supportive services, provide access to permanent housing, enable needy individuals to retain housing, promote self-sufficiency and curtail unnecessary use of more expensive emergency hotels and homeless shelters.

The Governor's welfare reform program has also strengthened child support enforcement. Improvements include automated updating of child support awards to reflect inflation; improved customer services through website access of account information and interstate reciprocity in child support proceedings; a strengthened role for child support staff in welfare case processing; and administrative authority for social services districts to order genetic tests, subpoena information and collect relevant data from Federal, State and local agencies. These measures have helped to increase total child support collections to their current level of \$1.38 billion.

The Executive Budget continues to re-invest Federal incentive bonuses in child support initiatives to strengthen performance in "hard-to-collect" cases, update asset information on non-custodial parents, expand private health care coverage for children in support cases, expand the "Celebrating Fatherhood" media campaign and contract for private parent locator services. OTDA has also embarked on State-local partnerships to group appropriate investigatory, prosecutorial and collection staff in Joint Enforcement Teams (JET) to increase criminal prosecutions for parents who refuse to pay child support. These initiatives will further strengthen the child support enforcement system and improve customer services, thus helping to ensure that parents provide for the income support of their children.

Welfare reform also protects taxpayer investments in the welfare system by providing sanctions for persons who refuse to comply with work requirements and by prohibiting welfare payments to fugitive felons, persons who have been convicted of a felony and failed to abide by the terms of their probation or parole, and persons who have been convicted of fraudulently seeking to obtain benefits in two or more states.

### ***SAFETY NET ASSISTANCE PROGRAM***

Article XVII of the State Constitution requires the State and its social services districts to provide for the needy. State welfare reform meets this obligation through the Safety Net Assistance program for persons who are not eligible for Family Assistance or Supplemental Security Income.

Safety Net Assistance participants are single adults and childless couples, families that have exhausted their five-year limit on Family Assistance, certain non-citizens, households where the adult is unable to work because of substance abuse and households where the adult has refused to participate in drug/alcohol screening or treatment. In addition to

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providing for essential needs, the Safety Net Assistance program provides employment services such as job search, work training and workfare. Unless prevented from doing so by a physical or mental disability, Safety Net Assistance participants must engage in assigned work activities to receive assistance.

The Executive Budget provides funding for a new case management initiative to assist local social services districts in finding lower-cost and more effective treatment options for Safety Net recipients unable to work due to substance abuse problems.

## ***SUPPLEMENTAL SECURITY INCOME***

Federal Supplemental Security Income (SSI) provides cash assistance to the aged, visually handicapped and disabled. The State's SSI benefit currently is among the highest nationally. The 2004-05 recommendation of \$629 million funds the State cost of SSI benefits for a projected 624,400 recipients. SSI and Social Security Disability Insurance (SSDI) eligibility for disability claimants is evaluated by OTDA's Division of Disability Determinations (DDD).

## ***NUTRITION ASSISTANCE***

The Federal Food Stamp Program provides low-income households with coupons or electronic benefits that can be used as cash at grocery stores to purchase food. New York receives \$1.6 billion per year in Federal Food Stamp benefits, with an average monthly benefit of \$194 to support needy households and those making the transition from welfare to work.

New York's Nutrition Outreach and Education Program increases public awareness of the benefits of participating in the Federal Food Stamp, Summer Food Service and School Breakfast programs and assists individuals and families with the Food Stamp application process. The SFY 2004-05 Budget continues funding to expand enrollment in the federally-funded Food Stamp program for eligible individuals and to expand related nutrition education and outreach.

New York's Food Assistance Program (FAP) purchases food stamps on behalf of immigrants age 60 through 67 who are not eligible for federally funded Food Stamp benefits. Although the Food Stamp Reauthorization Act of 2002 restored Food Stamp eligibility to the vast majority of qualified aliens served by FAP, recent State legislation extended the FAP program until September 2005. As a result, the Budget includes \$200,000 in combined State and local funds to continue program operations.

## ***PROGRAM AND ADMINISTRATIVE COST CONTAINMENT***

While welfare reform continues to be an unprecedented success, cost containment measures continue to be necessary to not only preserve basic income support for eligible children and adults, but to also foster individual self-sufficiency and employment. In order to accomplish this, the 2004-05 welfare budget recommendations:

- Encourage adult participation in mandatory work requirements by imposing a full welfare benefit reduction if the head of the household is out of compliance with work requirements. Currently, only a portion of the household's welfare benefit is reduced when the head of the household does not meet mandatory employment requirements;
- Discourage long-term reliance on public assistance by reducing the non-shelter portion of the welfare grant by 10 percent for families on welfare longer than 5 years and by 10 percent for single adults/childless couples on welfare longer than 1 year;
- Modify the welfare family grant eligibility determination methodology to include the income of a household member on SSI and eliminate from the grant the pro-rata share of an applicant or recipient of public assistance if the individual refuses to cooperate in applying for or accepting SSI benefits for him/herself or a household member; and

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- Fix the amount of earnings disregarded for purpose of determining welfare eligibility and welfare benefit levels at 50 percent for recipients on welfare less than two years; reduce the disregard percentage to 25 percent for recipients on welfare more than two years but less than five years; and eliminate the disregard entirely for recipients on welfare more than five years.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2003-04</b>	<b>Appropriations Recommended 2004-05</b>	<b>Change</b>	<b>Reappropriations Recommended 2004-05</b>
State Operations	436,769,500	441,175,000	4,405,500	292,424,000
Aid To Localities	4,316,100,500	4,313,906,900	(2,193,600)	10,195,547,600
Capital Projects	30,000,000	30,000,000	0	155,929,000
Total	<u>4,782,870,000</u>	<u>4,785,081,900</u>	<u>2,211,900</u>	<u>10,643,900,600</u>

### **ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS**

#### Full-Time Equivalent Positions (FTE)

<b>Program</b>	<b>2003-04 Estimated FTEs 03/31/04</b>	<b>2004-05 Estimated FTEs 03/31/05</b>	<b>FTE Change</b>
Administration			
General Fund	150	149	(1)
Special Revenue Funds - Federal	98	98	0
Special Revenue Funds - Other	56	56	0
Child Support Enforcement			
Special Revenue Funds - Other	56	56	0
Disability Determinations			
Special Revenue Funds - Federal	1,285	1,285	0
Special Revenue Funds - Other	101	101	0
Executive Direction			
General Fund	17	16	(1)
Legal Affairs			
General Fund	149	151	2
System Support and Information Services			
General Fund	114	91	(23)
Special Revenue Funds - Federal	16	16	0
Special Revenue Funds - Other	59	59	0
Temporary and Disability Assistance Programs			
General Fund	38	35	(3)
Special Revenue Funds - Federal	21	21	0
Special Revenue Funds - Other	148	148	0
Transitional Supports and Policy, Division of			
General Fund	14	21	7
Special Revenue Funds - Federal	29	29	0
Special Revenue Funds - Other	15	15	0
Total	<u>2,366</u>	<u>2,347</u>	<u>(19)</u>

### **STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)**

<b>Fund Type</b>	<b>Available 2003-04</b>	<b>Recommended 2004-05</b>	<b>Change</b>
General Fund	45,956,500	51,656,000	5,699,500
Special Revenue Funds - Federal	240,342,000	238,762,000	(1,580,000)
Special Revenue Funds - Other	149,471,000	149,557,000	86,000
Internal Service Funds	1,000,000	1,200,000	200,000
Total	<u>436,769,500</u>	<u>441,175,000</u>	<u>4,405,500</u>

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## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2003-04	Recommended 2004-05	Change
Administration			
General Fund	20,576,000	22,033,000	1,457,000
Special Revenue Funds - Federal	7,000,000	7,000,000	0
Special Revenue Funds - Other	19,500,000	19,750,000	250,000
Internal Service Funds	1,000,000	1,200,000	200,000
Child Support Enforcement			
Special Revenue Funds - Federal	3,100,000	3,100,000	0
Special Revenue Funds - Other	27,000,000	27,000,000	0
Departmental Administrative			
Reimbursement			
General Fund	(72,127,000)	(71,963,000)	164,000
Special Revenue Funds - Other	75,696,000	75,532,000	(164,000)
Disability Determinations			
Special Revenue Funds - Federal	160,000,000	158,000,000	(2,000,000)
Special Revenue Funds - Other	8,900,000	8,900,000	0
Executive Direction			
General Fund	1,756,000	1,846,000	90,000
Legal Affairs			
General Fund	11,304,700	12,063,000	758,300
System Support and Information Services			
General Fund	78,955,000	82,334,000	3,379,000
Special Revenue Funds - Federal	60,000,000	60,000,000	0
Special Revenue Funds - Other	13,100,000	13,100,000	0
Temporary and Disability Assistance			
Programs			
General Fund	4,141,400	3,659,000	(482,400)
Special Revenue Funds - Federal	6,100,000	6,520,000	420,000
Special Revenue Funds - Other	4,000,000	4,000,000	0
Transitional Supports and Policy, Division of			
General Fund	1,350,400	1,684,000	333,600
Special Revenue Funds - Federal	4,142,000	4,142,000	0
Special Revenue Funds - Other	1,275,000	1,275,000	0
Total	<u>436,769,500</u>	<u>441,175,000</u>	<u>4,405,500</u>

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2004-05 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	8,565,000	69,000	8,435,700	69,000
Executive Direction	1,546,000	90,000	1,462,300	96,900
Legal Affairs	9,441,000	705,000	9,216,000	790,500
System Support and Information Services	6,314,000	(2,103,000)	6,292,000	(1,784,000)
Temporary and Disability Assistance				
Programs	2,784,000	(482,000)	2,340,900	(432,200)
Transitional Supports and Policy, Division of	1,452,000	334,000	1,435,900	334,000
Total	<u>30,102,000</u>	<u>(1,387,000)</u>	<u>29,182,800</u>	<u>(925,800)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	94,800	0	34,500	0
Executive Direction	82,500	(6,500)	1,200	(400)
Legal Affairs	0	0	225,000	(85,500)
System Support and Information Services	0	0	22,000	(319,000)
Temporary and Disability Assistance				
Programs	420,900	(50,600)	22,200	800
Transitional Supports and Policy, Division of	0	0	16,100	0
Total	<u>598,200</u>	<u>(57,100)</u>	<u>321,000</u>	<u>(404,100)</u>

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## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2004-05 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	13,968,000	1,388,000	154,700	400
Executive Direction	300,000	0	31,900	8,700
Legal Affairs	2,622,000	53,300	137,500	(3,000)
System Support and Information Services	76,020,000	5,482,000	37,900	(386,200)
Temporary and Disability Assistance Programs	875,000	(400)	18,000	0
Transitional Supports and Policy, Division of	232,000	(400)	17,000	(400)
Total	94,017,000	6,922,500	397,000	(380,500)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	236,700	48,400	7,679,900	2,279,200
Executive Direction	58,100	(5,000)	198,000	11,000
Legal Affairs	115,700	(3,400)	2,302,800	61,700
System Support and Information Services	33,700	(124,400)	10,404,400	834,600
Temporary and Disability Assistance Programs	80,500	(77,500)	749,500	102,100
Transitional Supports and Policy, Division of	61,500	0	108,600	0
Total	586,200	(161,900)	21,443,200	3,288,600

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	371,700	(880,000)	5,525,000	(60,000)
Executive Direction	12,000	(14,700)	0	0
Legal Affairs	66,000	(2,000)	0	0
System Support and Information Services	70,000	(142,000)	65,474,000	5,300,000
Temporary and Disability Assistance Programs	27,000	(25,000)	0	0
Transitional Supports and Policy, Division of	44,900	0	0	0
Total	591,600	(1,063,700)	70,999,000	5,240,000

## STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2004-05 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	27,450,000	450,000	600,000	0
Child Support Enforcement	30,100,000	0	0	0
Disability Determinations	166,900,000	(2,000,000)	68,000,000	0
System Support and Information Services	73,100,000	0	0	0
Temporary and Disability Assistance Programs	10,520,000	420,000	0	0
Transitional Supports and Policy, Division of	5,417,000	0	870,000	0
Total	313,487,000	(1,130,000)	69,470,000	0

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	250,000	0	26,600,000	450,000
Child Support Enforcement	0	0	30,100,000	0
Disability Determinations	90,000,000	(2,000,000)	8,900,000	0
System Support and Information Services	0	0	73,100,000	0
Temporary and Disability Assistance Programs	0	0	10,520,000	420,000
Transitional Supports and Policy, Division of	405,000	0	4,142,000	0
Total	90,655,000	(2,000,000)	153,362,000	870,000

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## AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2003-04	Recommended 2004-05	Change
General Fund	1,388,098,900	1,445,557,300	57,458,400
Special Revenue Funds - Federal	2,898,126,600	2,843,249,600	(54,877,000)
Special Revenue Funds - Other	19,875,000	15,100,000	(4,775,000)
Fiduciary Funds	10,000,000	10,000,000	0
Total	<u>4,316,100,500</u>	<u>4,313,906,900</u>	<u>(2,193,600)</u>

## AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2003-04	Recommended 2004-05	Change
Child Support Enforcement			
General Fund	30,774,000	30,936,000	162,000
Special Revenue Funds - Federal	100,000,000	120,000,000	20,000,000
Special Revenue Funds - Other	75,000	0	(75,000)
Employment Services			
General Fund	66,421,900	84,690,700	18,268,800
Food Assistance Program			
General Fund	300,000	100,000	(200,000)
Special Revenue Funds - Other	300,000	100,000	(200,000)
Food Stamp Administration Program			
General Fund	101,680,000	77,911,000	(23,769,000)
Special Revenue Funds - Federal	294,526,600	294,526,600	0
Special Revenue Funds - Other	9,500,000	5,000,000	(4,500,000)
Temporary and Disability Assistance Administration			
General Fund	178,458,000	147,595,600	(30,862,400)
Temporary and Disability Assistance Programs			
General Fund	883,715,000	982,374,000	98,659,000
Special Revenue Funds - Federal	2,450,100,000	2,375,298,000	(74,802,000)
Fiduciary Funds	10,000,000	10,000,000	0
Transitional Supports and Policy, Division of			
General Fund	126,750,000	121,950,000	(4,800,000)
Special Revenue Funds - Federal	53,500,000	53,425,000	(75,000)
Special Revenue Funds - Other	10,000,000	10,000,000	0
Total	<u>4,316,100,500</u>	<u>4,313,906,900</u>	<u>(2,193,600)</u>

## CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2003-04	Recommended 2004-05	Change	Reappropriations 2004-05
Supported Housing Program				
Housing Program Fund	30,000,000	30,000,000	0	155,929,000
Total	<u>30,000,000</u>	<u>30,000,000</u>	<u>0</u>	<u>155,929,000</u>