

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

## ***MISSION***

The Office of Temporary and Disability Assistance (OTDA), working in close collaboration with the Department of Labor, Office of Children and Family Services and other agencies, 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 at 2,532 positions for 2005-06. Approximately 463 of these positions are paid by State tax dollars from the General Fund with partial Federal reimbursement and 1,634 are funded directly by Federal grants. The remaining 17 percent are supported by various revenues.

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

A total of \$5.3 billion is recommended from all funding sources in 2005-06 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 \$4.8 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. Approximately \$547 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.

For State Operations, an appropriation of approximately \$431 million is recommended from all funding sources. These funds will support a workforce of approximately 2,532, including 1,285 federally funded positions in the Division of Disability Determinations.

The recommended \$50.8 million General Fund State Operations 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.

State funding of \$15 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.

Specific priorities for the Office of Temporary and Disability Assistance for 2005-06 are as follows:

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- In partnership with local social services districts, operate programs that enable recipients to transition to work and self-sufficiency and at-risk households to 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.

This approach has resulted in a dramatic decline in welfare caseloads. Since 1995, over 1,013,359 recipients have left the welfare rolls, a 62 percent decline. In addition to generating significant State and local government savings, this significant 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 programs that provide transportation, drug and alcohol services, domestic violence screening and child care services.

OTDA programs also emphasize prevention of welfare dependency by providing work supports and services to at-risk households. Legislation will be introduced to create a Strengthening Families through Stronger Fathers initiative to encourage employment and related activities for young, low-income non-custodial parents. Legislation will also be proposed to transfer welfare employment from the Department of Labor to the Office of Temporary and Disability Assistance. These activities help families address life events, while at the same time significantly expand the resources and services available to low-income New Yorkers.

### ***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 within a five-year period.

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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 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 2005-06.

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 \$1.44 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, continue the "Celebrating Fatherhood" media campaign and implement a 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 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.

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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 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.

## ***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 2005-06 recommendation of \$632 million funds the State cost of SSI benefits for a projected 627,800 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 \$2.1 billion per year in Federal Food Stamp benefits, with an average monthly benefit of \$200 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 2005-06 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, 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.

## ***COST CONTAINMENT AND PERFORMANCE BONUS***

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 2005-06 welfare budget recommendations:

- Incorporate all TANF funding not needed for benefit payments, State Operations or the EITC into a Flexible Fund for Family Services allocation to local districts. Counties would be able to use their block grant allocations for any federally-allowable TANF purpose, but would be solely responsible for determining the distribution of their allocation for all non-benefit programs, including child welfare, child care and local district administration;
- 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;

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- Increase the amount of earnings disregarded for purpose of determining welfare eligibility to 50 percent for recipients on welfare less than five years; and reduce the disregard percentage to 25 percent for recipients on welfare more than five years;
- Hold accountable those counties that fail to meet at least a 50 percent work participation rate for their TANF Families and Safety Net Singles populations; and
- Establish a performance-based bonus for those counties that increase their use of Food Stamps for their low-income, working population.

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

<b>Category</b>	<b>Available 2004-05</b>	<b>Appropriations Recommended 2005-06</b>	<b>Change</b>	<b>Reappropriations Recommended 2005-06</b>
State Operations	430,203,000	430,710,000	507,000	301,000,000
Aid To Localities	4,814,854,900	4,847,994,000	33,139,100	4,122,469,000
Capital Projects	30,000,000	30,000,000	0	136,789,000
Total	<u>5,275,057,900</u>	<u>5,308,704,000</u>	<u>33,646,100</u>	<u>4,560,258,000</u>

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

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

<b>Program</b>	<b>2004-05 Estimated FTEs 03/31/05</b>	<b>2005-06 Estimated FTEs 03/31/06</b>	<b>FTE Change</b>
Administration			
General Fund	149	149	0
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
Employment Services			
Special Revenue Funds - Federal	0	185	185
Executive Direction			
General Fund	16	16	0
Legal Affairs			
General Fund	151	151	0
System Support and Information Services			
General Fund	91	91	0
Special Revenue Funds - Federal	16	16	0
Special Revenue Funds - Other	59	59	0
Temporary and Disability Assistance Programs			
General Fund	35	35	0
Special Revenue Funds - Federal	21	21	0
Special Revenue Funds - Other	148	148	0
Transitional Supports and Policy, Division of			
General Fund	21	21	0
Special Revenue Funds - Federal	29	29	0
Special Revenue Funds - Other	15	15	0
Total	<u>2,347</u>	<u>2,532</u>	<u>185</u>

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

Fund Type	Available 2004-05	Recommended 2005-06	Change
General Fund	48,984,000	50,753,000	1,769,000
Special Revenue Funds - Federal	230,084,000	222,000,000	(8,084,000)
Special Revenue Funds - Other	149,935,000	156,757,000	6,822,000
Internal Service Funds	1,200,000	1,200,000	0
Total	<u>430,203,000</u>	<u>430,710,000</u>	<u>507,000</u>

Adjustments:

Transfer(s) From			
Special Pay Bill			
General Fund	(2,328,000)		
Special Revenue Funds - Federal	(4,342,000)		
Special Revenue Funds - Other	(378,000)		
Transfer(s) To			
Temporary and Disability Assistance, Office of			
Special Revenue Funds - Federal (Aid To Localities)	1,644,000		
Appropriated 2004-05	<u>424,799,000</u>		

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

Program	Available 2004-05	Recommended 2005-06	Change
Administration			
General Fund	24,361,000	24,689,000	328,000
Special Revenue Funds - Federal	7,000,000	7,000,000	0
Special Revenue Funds - Other	19,750,000	19,850,000	100,000
Internal Service Funds	1,200,000	1,200,000	0
Child Support Enforcement			
Special Revenue Funds - Federal	3,100,000	3,500,000	400,000
Special Revenue Funds - Other	27,000,000	30,000,000	3,000,000
Departmental Administrative Reimbursement			
General Fund	(71,963,000)	(75,463,000)	(3,500,000)
Special Revenue Funds - Other	75,532,000	79,032,000	3,500,000
Disability Determinations			
Special Revenue Funds - Federal	162,258,000	166,000,000	3,742,000
Special Revenue Funds - Other	8,900,000	9,500,000	600,000
Executive Direction			
General Fund	1,846,000	1,818,000	(28,000)
Legal Affairs			
General Fund	12,063,000	13,390,000	1,327,000
System Support and Information Services			
General Fund	77,334,000	80,032,000	2,698,000
Special Revenue Funds - Federal	48,500,000	40,000,000	(8,500,000)
Special Revenue Funds - Other	13,100,000	13,100,000	0
Temporary and Disability Assistance Programs			
General Fund	3,659,000	4,262,000	603,000
Special Revenue Funds - Federal	5,084,000	5,000,000	(84,000)
Special Revenue Funds - Other	4,000,000	4,000,000	0
Transitional Supports and Policy, Division of			
General Fund	1,684,000	2,025,000	341,000
Special Revenue Funds - Federal	4,142,000	500,000	(3,642,000)
Special Revenue Funds - Other	1,653,000	1,275,000	(378,000)
Total	<u>430,203,000</u>	<u>430,710,000</u>	<u>507,000</u>

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## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2005-06 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	11,134,000	241,000	11,004,700	241,000
Executive Direction	1,518,000	(28,000)	1,434,000	(28,300)
Legal Affairs	10,768,000	1,327,000	10,481,954	1,265,954
System Support and Information Services	7,388,000	1,074,000	7,366,000	1,074,000
Temporary and Disability Assistance Programs	3,337,000	553,000	2,857,019	516,119
Transitional Supports and Policy, Division of	1,793,000	341,000	1,748,548	312,648
Total	35,938,000	3,508,000	34,892,221	3,381,421

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	94,800	0	34,500	0
Executive Direction	84,000	1,500	0	(1,200)
Legal Affairs	14,286	14,286	271,760	46,760
System Support and Information Services	0	0	22,000	0
Temporary and Disability Assistance Programs	445,144	24,244	34,837	12,637
Transitional Supports and Policy, Division of	0	0	44,452	28,352
Total	638,230	40,030	407,549	86,549

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2005-06 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	14,055,000	87,000	154,300	(400)
Executive Direction	300,000	0	31,900	0
Legal Affairs	2,622,000	0	137,500	0
System Support and Information Services	72,644,000	1,624,000	37,900	0
Temporary and Disability Assistance Programs	925,000	50,000	36,000	18,000
Transitional Supports and Policy, Division of	232,000	0	45,000	28,000
Total	90,778,000	1,761,000	442,600	45,600

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	236,700	0	7,680,300	400
Executive Direction	45,500	(12,600)	210,600	12,600
Legal Affairs	115,700	0	2,302,800	0
System Support and Information Services	33,700	0	10,630,400	226,000
Temporary and Disability Assistance Programs	58,500	(22,000)	779,000	29,500
Transitional Supports and Policy, Division of	77,000	15,500	104,000	(4,600)
Total	567,100	(19,100)	21,707,100	263,900

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	371,700	0	5,612,000	87,000
Executive Direction	12,000	0	0	0
Legal Affairs	66,000	0	0	0
System Support and Information Services	70,000	0	61,872,000	1,398,000
Temporary and Disability Assistance Programs	51,500	24,500	0	0
Transitional Supports and Policy, Division of	6,000	(38,900)	0	0
Total	577,200	(14,400)	67,484,000	1,485,000

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## STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2005-06 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	27,550,000	100,000	0	(600,000)
Child Support Enforcement	33,500,000	3,400,000	0	0
Disability Determinations	175,500,000	4,342,000	75,000,000	4,073,000
System Support and Information Services	53,100,000	(8,500,000)	0	0
Temporary and Disability Assistance Programs	9,000,000	(84,000)	58,000	0
Transitional Supports and Policy, Division of	1,775,000	(4,020,000)	824,000	(306,000)
Total	300,425,000	(4,762,000)	75,882,000	3,167,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	0	(250,000)	27,550,000	950,000
Child Support Enforcement	0	0	33,500,000	3,400,000
Disability Determinations	91,000,000	(331,000)	9,500,000	600,000
System Support and Information Services	0	0	53,100,000	(8,500,000)
Temporary and Disability Assistance Programs	26,000	0	8,916,000	(84,000)
Transitional Supports and Policy, Division of	451,000	(72,000)	500,000	(3,642,000)
Total	91,477,000	(653,000)	133,066,000	(7,276,000)

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

Fund Type	Available	Recommended	Change
	2004-05	2005-06	
General Fund	1,355,209,300	1,530,748,000	175,538,700
Special Revenue Funds - Federal	3,434,545,600	3,270,885,000	(163,660,600)
Special Revenue Funds - Other	15,100,000	26,361,000	11,261,000
Fiduciary Funds	10,000,000	20,000,000	10,000,000
Total	4,814,854,900	4,847,994,000	33,139,100

Adjustments:

Transfer(s) From	
Children and Family Services Office of	
Special Revenue Funds - Federal	(537,199,000)
Labor, Department of	
Special Revenue Funds - Federal	(51,553,000)
Temporary and Disability Assistance,	
Office of	
Special Revenue Funds - Federal	
(State Operations)	(1,644,000)
Transfer(s) To	
Children and Family Services Office of	
General Fund (State Operations)	12,950,000
General Fund	74,329,000
Health, Department of	
General Fund	20,225,000
Appropriated 2004-05	4,331,962,900

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

<b>Program</b>	<b>Available 2004-05</b>	<b>Recommended 2005-06</b>	<b>Change</b>
Child Support Enforcement			
General Fund	30,936,000	37,000,000	6,064,000
Special Revenue Funds - Federal	120,000,000	120,000,000	0
Food Assistance Program			
General Fund	100,000	100,000	0
Special Revenue Funds - Other	100,000	100,000	0
Food Stamp Administration Program			
Special Revenue Funds - Federal	296,170,600	294,530,000	(1,640,600)
Special Revenue Funds - Other	5,000,000	6,261,000	1,261,000
Temporary and Disability Assistance Administration			
General Fund	311,597,300	337,950,000	26,352,700
Temporary and Disability Assistance Programs			
General Fund	889,786,000	1,032,908,000	143,122,000
Special Revenue Funds - Federal	2,964,950,000	2,802,930,000	(162,020,000)
Special Revenue Funds - Other	0	10,000,000	10,000,000
Fiduciary Funds	10,000,000	20,000,000	10,000,000
Transitional Supports and Policy, Division of			
General Fund	122,790,000	122,790,000	0
Special Revenue Funds - Federal	53,425,000	53,425,000	0
Special Revenue Funds - Other	10,000,000	10,000,000	0
Total	<u>4,814,854,900</u>	<u>4,847,994,000</u>	<u>33,139,100</u>

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

<b>Comprehensive Construction Program</b>	<b>Available 2004-05</b>	<b>Recommended 2005-06</b>	<b>Change</b>	<b>Reappropriations 2005-06</b>
Supported Housing Program				
Housing Program Fund	30,000,000	30,000,000	0	136,789,000
Total	<u>30,000,000</u>	<u>30,000,000</u>	<u>0</u>	<u>136,789,000</u>