

Human Services

*Office of Temporary and Disability Assistance
Office of Children and Family Services
Department of Labor
Division of Housing and Community Renewal
Division of Human Rights
Office of National and Community Service*

I. Overview

The Executive Budget provides funding for core supportive services for needy populations, allocates funding to replace lost Federal funding for child care subsidies that allow low income individuals to seek or maintain employment, limits spending growth to address the State's fiscal challenges, and implements measures to improve program performance.

New York's human services programs promote the safety and well-being of the State's most vulnerable residents.

Programs funded through the Office of Temporary and Disability Assistance (OTDA) and the Office of Children and Family Services (OCFS) include financial assistance to elderly and disabled persons who are unable to work, supportive services to public assistance recipients to prepare for and secure employment, child support enforcement, child care subsidies to assist low-income working families, juvenile justice, and child protective and adult protective programs.

Programs funded through the Department of Labor (DOL) protect workers, promote workforce development and operate the State's Unemployment Insurance System.

Programs funded through the Division of Housing and Community Renewal (DHCR) preserve and create affordable housing.

Programs funded through the Division of Human Rights (DHR) protect civil rights in the areas of employment, housing, public accommodations, education and credit.

Programs funded through the Office of National and Community Service (NCS) support community service grants that provide youth education, assistance to individuals with disabilities, public health services, and disaster preparedness.

II. History/Context

Since the enactment of landmark Federal welfare reform in August 1996, the State's public assistance caseload has declined by approximately one million recipients. The 2012-13 caseload is estimated at 553,000 recipients.

New York's Supplemental Security Income (SSI) program supplements Federal SSI benefits to low-income elderly, blind, and disabled persons. Expenditures for the State supplements have grown from \$656 million in 2006-07 to approximately \$740 million in 2011-12 as caseload has increased. The 2012-13 caseload is estimated at 691,000 recipients.

New York State's child welfare programs are monitored by OCFS and administered by 58 local social services districts (LSSDs), which are responsible for conducting direct investigations of alleged child abuse, as well as providing services to prevent foster care placements for at-risk youth and families, and foster care services when out-of-home placement is necessary.

The Child Welfare Services program supports approximately 168,000 child protective services investigations and over 40,000 mandated preventive services cases. Federal funds support approximately \$460 million of statewide program costs. The State supports 62 percent of remaining costs, and local social services districts finance the remaining 38 percent. This funding approach, authorized in 2002-03 through Child Welfare Financing Reform, provides an incentive to use preventive services to keep families safely intact and to avoid unnecessary foster care placements. There is evidence that this front-end investment is paying dividends, as the foster care caseload has dropped by 34 percent since 2002-03 — from 34,900 to an estimated 23,200 in 2011-12.

III. Proposed FY 2012-13 Budget Actions

The Executive Budget proposals provide for core supportive services for needy populations, limit spending growth to address the State's fiscal challenges, and implement measures to improve program performance.

The Executive Budget proposes to provide a five percent increase to the public assistance grant in July 2012 and a five percent grant increase in July 2013 to replace the ten percent grant increase scheduled to take effect in July 2012.

In Juvenile Justice, the 2012-13 Executive Budget proposes to build on reforms implemented in 2011-12 to provide more appropriate placements for youth while increasing the efficiency of the system. Under this proposal, New York City youth currently placed in OCFS limited- and non-secure settings would be placed in more appropriate and

more cost-efficient settings administered by New York City. Consistent with these changes, the Executive Budget proposes to reduce capacity in OCFS operated youth facilities outside of New York City. Under the new program, youth will be served in settings that are appropriate for their educational, mental health, substance abuse and other service needs, without compromising public safety.

In Child Care, the Executive Budget increases General Fund support for child care subsidies by \$93 million to offset a reduction in funding through the Federal Temporary Assistance for Needy Families (TANF) program.

IV. Summary of Spending (All Funds)

Category	2011-12 (\$ in millions)	2012-13 (\$ in millions)	Change	
			Dollar (in millions)	Percent
Human Services	9,305	9,009	(296)	(3.2)
OTDA	5,341	5,278	(63)	(1.2)
OCFS	3,012	2,958	(54)	(1.8)
DOL	561	549	(12)	(2.1)
DHCR	391	224	(167)*	(42.7)*

* Reduction is primarily attributable to the loss of \$154.5 million in ARRA Weatherization Assistance Funding that expires March 31, 2012.

V. Major Initiatives

Gap-closing Actions

Proposal	2012-13 (\$ in millions)	2013-14 (\$ in millions)
Juvenile Justice Reform		
Reform Juvenile Justice Services	(12)	(37)
Close/Downsize OCFS Facilities	9	37
Human Services		
Offset Loss of Federal Funding for Child Care	(93)	(215)
Eliminate 2012-13 Cost of Living Adjustments (COLAs) and Trends	37	42
Increase Funding to Fight Childhood Hunger	(1)	(1)
Eliminate Support for Settlement Houses and Supplemental Child Welfare Funding	1	1
Take Over Administration of the State SSI Supplementation Program	(11)	(13)
Eliminate New York City Shelter Supplement Funding	15	15
Centralized 24 Hour Hotline for Reporting Abuse and Neglect Allegations	(10)	(30)
Phase in the Scheduled Public Assistance Grant Increase	6	6
Streamline Administration of Child Support	35	35
Eliminate Funding for the Neighborhood and Rural Preservation Programs	12	12
Increase Funding for the Rural Rental Assistance Program	(6)	(6)
Establish Regional Human Services Public/Private Partnership Pilot Program	(2)	(2)
Total	(20)	(156)

Juvenile Justice

- **Reform Juvenile Justice Services.** This initiative will reform juvenile justice services by closing costly State facilities and providing more appropriate placements and services to youth from New York City within New York City-based facilities. The initiative, which provides an alternative to inefficient facilities, will provide cost savings for both the State and localities when fully implemented. (2012-13 Value: \$12 million; 2013-14 Value: \$37 million)
- **Rightsize OCFS System.** The OCFS juvenile justice system capacity will be reduced by 324 beds and after care slots to reflect the impact of the initiative to place New York City youth in New York City-administered programs nearer their homes. New York City youth residing in non-secure youth facilities or community-based settings will be placed in the New York City-administered facilities in 2012-13, and New York City youth residing in limited-secure youth facilities will be placed in the New York City administered facilities in 2013-14. (2012-13 Value: \$9 million; 2013-14 Value: \$37 million)

Human Services

- **Offset Loss of Federal Funding for Child Care.** The Executive Budget proposes to provide State funding to offset the loss of Federal funds that have been supporting child care slots since 2009-10 but were discontinued this year. (2012-13 Value: \$93 million; 2013-14 Value: \$215 million)
- **Eliminate 2012-13 Cost of Living Adjustments (COLAs) and Trends.** Currently, COLAs and trend factors increase State spending without any link to actual cost growth or performance outcomes. The Executive Budget eliminates the planned 3.6 percent COLA scheduled to take effect in 2012-13 for OCFS programs including Foster Care, Adoption, Bridges to Health, and New York/New York III. This proposal would also eliminate administrative trends in various programs including Foster Care. A new program will be established for 2013-14 which will provide increases based on appropriate provider costs and meeting performance outcomes. (2012-13 Value: \$37 million; 2013-14 Value: \$42 million)
- **Increase Funding to Fight Childhood Hunger.** The Nutrition Outreach and Education Program (NOEP) provides nutrition outreach and education to underserved areas of the State to increase enrollment in the Food Stamps program. Additional funds are needed to expand access to the Food Stamps program. (2012-13 Value: \$1 million; 2013-14 Value: \$1 million)
- **Eliminate Support for Settlement Houses and Supplemental Child Welfare Funding.** While maintaining funding for core child welfare programs, this proposal would eliminate State support for settlement houses and supplemental seed funding to help districts reduce child protective caseloads. The open-ended State reimbursement for child welfare services remains unchanged for fiscal year 2012-13. (2012-13 Value: \$1 million; 2013-14 Value: \$1 million)

- **Take Over Administration of the State SSI Supplementation Program.** To achieve \$90 million of annual savings through management improvements, the Executive Budget recommends the State take over administration of the State's participation in the Federal Supplemental Security Income benefit. This benefit is currently administered by the Federal Social Security Administration at significant cost to the State. New York is one of only five states that has not assumed administration of the program. Through investment in new IT systems and staff, the State can provide the same service the Federal government currently provides at \$10.94 per benefit issuance for under \$2 per benefit issuance. (2012-13 Value \$11 million; 2013-14 Value: \$13 million)
- **Suspend New York City Shelter Supplement Funding.** The 2011-12 Budget included \$15 million for a new initiative to prevent eviction and address homelessness in New York City. Because the initiative remains under development, additional funding will be suspended pending a determination of the efficacy of the program. (2012-13 Value: \$15 million; 2013-14 Value: \$15 million)
- **Centralized 24-Hour Hotline for Reporting Abuse and Neglect Allegations.** Pursuant to preliminary recommendations of the Governor's Special Advisor on Vulnerable Persons, a new centralized 24-hour hotline will be established for reporting allegations of abuse and neglect of children, the developmentally disabled, the elderly and other vulnerable persons. The reporting system will include certain programs operated, licensed or certified by the Office of Mental Health, Office for People with Developmental Disabilities, Office of Alcoholism and Substance Abuse Services, the Office of Children and Family Services, the Department of Health and the State Education Department. The hotline will have a trained staff to screen, classify and route reports of abuse and neglect to the appropriate State agency for investigation. Funding will be housed within OCFS. (2012-13 Value: \$10 million; 2013-14 Value: \$30 million)
- **Phase In the Scheduled Public Assistance Grant Increase.** This proposal would phase in the full implementation of the final scheduled public assistance grant increase from one ten percent increase in July 2012 to a five percent increase in July 2012 and another five percent increase in July 2013, thereby increasing the public assistance grant for a typical public assistance family from \$753 to \$770. (2012-13 Value: \$6 million; 2013-14 Value: \$6 million)
- **Streamline Administration of Child Support.** This proposal would eliminate State funding for child support enforcement administration provided to local social services districts. The State would allow districts to retain certain child support payments currently sent to the State, and would also provide new Federal resources to districts to ensure there is no local financial impact. The proposal will result in State savings as well as reduce State and local administrative burdens. (2012-13 Value: \$35 million; 2013-14 Value: \$35 million)

- **Eliminate Funding for the Neighborhood and Rural Preservation Programs.** To achieve savings, the Executive Budget recommends eliminating funding for the Neighborhood Preservation Program (NPP) and the Rural Preservation Program (RPP). (2012-13 Value: \$12 million; 2013-14 Value: \$12 million)
- **Increase Funding for the Rural Rental Assistance Program.** RRAP provides State funded rental subsidies to approximately 4,700 low income occupants of rural housing projects financed by the Federal Department of Agriculture. The cost of the program increases annually due to federally approved rent increases. Additional funds are needed to continue the current number of rental units participating in the program. (2012-13 Value: \$6 million; 2013-14 Value: \$6 million)
- **Establish Regional Human Services Public/Private Partnership Pilot Program.** The program will provide resources to a region or regions of the State that best demonstrate the capacity to leverage private funding for innovative and high performing human services programs. (2012-13 Value: \$2 million; 2013-14 Value: \$2 million)

Other Initiatives

- **Protection for Homeowners and Tenants.** The Executive Budget includes two initiatives that will assist homeowners and tenants. Within the Department of Financial Services, a new Foreclosure Relief Unit will be established to provide counseling and mediation services to help New Yorkers stay in their homes. Within New York Homes and Community Renewal, a new Tenant Protection Unit will be established to proactively enforce landlord obligations and impose strict penalties for failure to comply with New York State's rent laws. The initiative will build upon the strong tenant protections that were enacted in law in 2011, and will help to preserve the supply of safe and affordable housing in New York.
- **Office of New Americans.** Staff will be transferred from OTDA to support Governor Cuomo's effort to assist legal permanent residents to participate in New York State civic and economic life by creating the Office of New Americans. The Office aims to expand English language education opportunities; promote U.S. citizenship and civic involvement and expand opportunities for new American business owners.