



10. Human Services

The Executive Budget increases the minimum wage, provides funding for core supportive services for needy populations, maintains funding for child care subsidies that allow low-income individuals to seek or maintain employment, and expands the availability of affordable housing across the State.

Overview

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 and adult protective services.

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

Programs funded through Homes and Community Renewal (HCR) 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.

Programs funded through the Division of Veterans' Affairs (DVA) connect veterans, members of the armed forces, and their families to various

economic, medical, and social benefits and services available as the result of active duty military service.

Providing Opportunity for All New Yorkers

Since the enactment of the landmark Federal Welfare Reform Act of 1996, the State's public assistance caseload has declined by approximately one million recipients. The 2015-16 caseload is estimated at 540,000 recipients.

New York's Supplemental Security Income (SSI) program supplements Federal SSI benefits to low-income elderly, blind, and disabled persons. The 2015-16 caseload is estimated at 710,000 recipients.

New York State's child welfare programs are monitored by OCFS and administered by 58 local social services districts (LSSDs). The LSSDs 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 157,000 child protective services investigations with more than 44,000 cases receiving

protective and preventive services. Federal funds support approximately \$478 million of statewide program costs. The State supports 62 percent of non-federal costs, and LSSDs 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. This front-end investment is paying dividends, as the foster care caseload has dropped by more than 45 percent since 2002-03, from 34,900 to approximately 18,900 in 2014-15.

The Executive Budget proposals provide for core supportive services for needy families, while limiting spending growth and implementing measures to improve program performance.

In Juvenile Justice, the 2015-16 Executive Budget reflects continued implementation of the Close to Home initiative. Under this initiative, in 2012-13, New York City youth requiring a non-secure placement were transferred from OCFS to New York City custody to receive services closer to their home community. New York City is working with OCFS on a plan to take custody of its youth that require a limited secure

placement. This phase of Close to Home is expected to be implemented during 2015-16.

In 2012, Governor Cuomo appointed the State's first-ever InterAgency Coordinator for Not-for-Profit Services, a cabinet-level position created to assist with contract reform and to address challenges that nonprofits face in their business relationships with the State. This effort was enhanced in 2014 with the creation of a new Nonprofit Coordinating Unit within the Division of Budget. The Nonprofit Coordinating Unit, which reports directly to the Governor's InterAgency Coordinator for Not-for-Profit Services, is focused on strengthening the working relationship between State government and nonprofit organizations and on developing initiatives that will strengthen the sector and enhance services for New Yorkers.

Summary of Spending (All Funds)

| Category | 2014-15 (millions) | 2015-16 (millions) | Change | |
|----------------|-----------------------|-----------------------|-----------------------|---------|
| | | | Dollars (millions) | Percent |
| Human Services | 9,289 | 8,937 | (352) | (3.8) |
| OTDA | 5,382 | 4,982 | (401)* | (7.4) |
| OCFS | 3,092 | 3,187 | 95 | 3.1 |
| DOL | 555 | 499 | (56) | (10.1) |
| HCR | 216 | 225 | 9 | 4.2 |
| DVA | 15 | 15 | 0 | 0 |
| NCS | 15 | 15 | 0 | 0 |
| DHR | 14 | 14 | 0 | 0 |

*Year-to-year change primarily reflects a reduction in public assistance expenditures due to caseload changes.

Proposed 2015-16 Budget Actions

Labor

- Increase the Minimum Wage.** The 2013-14 Budget increased the minimum wage from \$7.25 to \$8.00 effective December 31, 2013 and to \$8.75 effective December 31, 2014, with a further increase to \$9.00 authorized for December 31, 2015. The Executive Budget builds upon these previous increases and includes provisions to further increase the minimum wage to \$11.50 in New York City and \$10.50 in the remainder of the State, effective December 31, 2016. This would bring the minimum wage more in line with the cost of living and the wage required to lift a family out of poverty.

The current minimum wage represents less than one-third of the average hourly wage in the State, which is almost \$29. Eight states currently have a

higher minimum wage than New York. A reasonable minimum wage increases the standard of living for workers, reduces poverty, and incentivizes fair and more efficient business practices. Since low-income individuals spend a larger percentage of their income on basic needs than higher-income earners, salary increases in low-wage occupations lead to increased demand for goods and services and help spur economic growth.

Housing

- **Expand Affordable Housing Opportunities.** The Executive Budget continues the landmark 2013-14 House NY program that is investing \$1 billion over five years to preserve and create 14,300 affordable housing units statewide, augmented by an additional \$130 million included in the 2014-15 Budget. This program is creating significant economic benefits for the State, including long-term stabilization of distressed neighborhoods and the creation of construction jobs. This multi-year initiative includes the revitalization of 44 Mitchell Lama affordable housing projects that suffer from significant physical deterioration and were transferred to the Housing Finance Agency from the Empire State Development Corporation in 2013-14. Additional affordable housing units will be created or preserved through various housing and community development programs. The 2015-16 Budget includes \$42 million in continued support for the Mitchell Lama portfolio and \$187.2 million for HCR and OTDA's capital programs that support the creation or

preservation of affordable and supportive housing across the State.

- **Utilize Mortgage Insurance Fund (MIF) Resources to Support Various Housing Programs.** The Budget utilizes \$50 million in excess reserves from the MIF to support the Neighborhood and Rural Preservation Programs (NPP/RPP) and the Rural Rental Assistance Program (RRAP) through the Housing Trust Fund Corporation, as well as homeless housing programs through the Homeless Housing and Assistance Corporation.

- **Utilize JP Morgan Settlement Funds to Support Various Housing Programs.** The Budget commits nearly \$440 million in JP Morgan mortgage settlement proceeds to help those negatively impacted by the mortgage foreclosure crisis. This is accomplished by investing in programs that would revitalize communities, preserve housing for existing residents, and create new housing for the State's most vulnerable populations, including those with special needs, the homeless, and those living with HIV/AIDS. Specifically, the Budget provides:
 - \$116 million for NY/NY IV, a new statewide program to support approximately 5,000 new supportive housing units;
 - \$100 million to preserve and create new affordable housing opportunities;

- \$70 million to revitalize commercial and residential properties, as well as encourage community renewal activities;
- \$40 million for homeless assistance efforts;
- \$27 million to support rental assistance to those with HIV/AIDS;
- \$25 million for improvements to public housing;
- \$25 million to improve seniors and veterans housing;
- \$22 million to help homeowners write-down mortgage payments; and
- \$15 million in low cost financing and access to capital through CDFIs.

Human Services

- **Raise the Age of Juvenile Jurisdiction.** New York is one of only two states in which the age of juvenile jurisdiction ends on a youth's 16th birthday. This means that all 16 and 17 year olds are processed in the adult criminal court system, and not through the Family Courts, regardless of the nature of their offense. All other states, except for North Carolina, set the age at 17 or 18 years old. Research has shown that incarcerating adolescents in adult jails and prisons has significant negative impacts, including higher suicide rates and increased recidivism. Experience in other states, such as Connecticut and Illinois, has shown that raising the age of juvenile jurisdiction can lower recidivism and juvenile crime rates through evidence based interventions that keep non-violent young

offenders out of the justice system and into needed services.

In 2014, the Governor established the Commission on Youth, Public Safety and Justice to make recommendations on how best to raise the age of juvenile jurisdiction to age 18, improve outcomes for youth, and promote community safety. The 2015-16 Executive Budget reflects the first steps to implement the Commission's recommendations with an investment of \$25 million to plan, create and expand services. This will include diversion and probation services for 16 and 17 year old youth who will be involved in the juvenile justice system and placing newly sentenced 16 and 17 year old youth with OCFS, rather than in adult correctional facilities beginning December 1, 2015. The age of juvenile jurisdiction will be raised to age 17 on January 1, 2017 and to age 18 on January 1, 2018.

- **Expand and Make Permanent the Educational Services Offered to Youth in OCFS Facilities.** In 2013-14, OCFS was authorized to enter into contracts with the Boards of Cooperative Educational Services (BOCES) for special education services at its youth facilities. The Executive Budget proposes to make permanent OCFS' authority to contract with BOCES and to expand OCFS' authority to contract with BOCES for additional areas such as foreign languages, music, art, career and technical skills and others that will increase educational opportunities for youth at the agency's facilities.

- **Create the Nonprofit Infrastructure Capital Investment Program.** The Executive Budget creates a \$50 million Nonprofit Infrastructure Capital Investment Program to make targeted investments in capital projects that will improve the quality, efficiency, and accessibility of eligible nonprofit human services organizations that provide direct services to New Yorkers. Targeted areas of investment include, but are not limited to, renovations or expansions of space used for direct program services; technology upgrades related to improving electronic records, data analysis, and/or confidentiality; modifications to provide for sustainable, efficient spaces that would result in overall energy and cost savings; and accessibility renovations.
- **Create a New Office of Faith-Based Community Services.** The Executive Budget authorizes the establishment of the Office of Faith-Based Community Services to assist and maximize community and faith-based organizations in providing education, health, workforce training, food programs and social services to communities.
- **Establish a New York City Share for Emergency Assistance to Needy Families (EAF) Expenditures.** The Budget establishes a 10 percent local share for New York City to support the EAF program, which provides short-term assistance in crisis situations to eligible families earning less than 200 percent of the Federal Poverty Level. The program is currently

fully supported with Federal resources but prior to 2011-12 all LSSDs, including New York City, had a 25 percent share in the EAF program. Between 2011-12 and 2013-14, when no local share was in place, New York City EAF expenditures increased 110 percent. This action will encourage fiscal discipline and will save approximately \$15 million in 2015-16.

- **Increase Foster Care Block Grant to partially finance Cost of Living Adjustment.** The Budget continues the commitment made in 2014 to provide a two percent salary increase for foster and adoptive parents as well as direct care and direct care support workers beginning January 1, 2015. The Budget also supports another two percent salary increase for those populations, as well as clinical staff, effective April 1, 2015. The Executive Budget provides a \$9 million increase to the Foster Care Block Grant in order to finance an estimated 50 percent of the cost. The remaining cost will be supported by local social services districts, consistent with current overall shares of Foster Care expenditures.
- **Support Investment in Homeless Services.** The Executive Budget caps OCFS youth facility billings to LSSDs at a cumulative \$275 million through 2018-19, saving local districts approximately \$425 million. New York City is required to invest its share of savings, estimated at \$220 million, in rental assistance programs or other homeless services to address the homeless population.