

## HUMAN SERVICES

As part of Governor Cuomo's **\$20 billion** affordable and homeless housing and services initiative

### ACHIEVED

**7,000+**

supportive housing units were created or preserved



Including child-focused tax credits and pre-kindergarten programs, support for families with child care-aged children totals nearly **\$2.8 billion**, an increase of more than **\$500 million** since FY 2011

Since the start of the pandemic, more than **4M New Yorkers** have received **\$61.4B** in Unemployment Insurance benefits

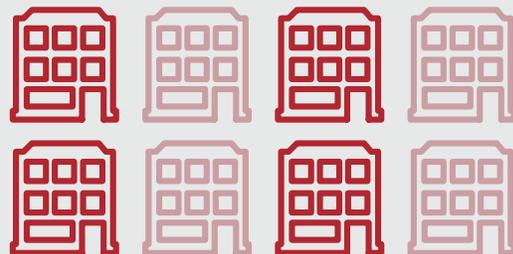


**29 YEARS**

worth of typical benefits

**\$128 MILLION**

FY 2022 Budget continues \$128 million for the Homeless Housing Assistance Program



## Budget Highlights

### **Continue the \$20 Billion Affordable and Homeless Housing and Services Initiative.**

The Budget supports progress towards the creation or preservation of more than 100,000 units of affordable housing over five years and adds \$250 million towards the goal of 20,000 units of supportive housing over 15 years.

### **Create More Homeless Housing.**

The Budget continues funding for the Homeless Housing and Assistance Program at \$128 million, a level achieved when the program was doubled in FY 2021.

### **Support Child Care Providers and Families During the Pandemic.**

The Budget supports use of Federal funding to assist families and the child care industry during the public health emergency, reduces the burden of child care on low-income families, and invests in start-up grants to address child care deserts.

### **Support Raise the Age Implementation.**

The Budget includes a \$250 million appropriation to support continued implementation of the Raise the Age initiative.

### **Enact Employer Child Care Credits.**

The Budget enhances the Excelsior Jobs Program and Employer Provided Child Care Credit, providing reduced child care costs.

The FY 2022 Executive Budget supports programs that are a lifeline for vulnerable New Yorkers, necessary more than ever as New York State continues to contend with the global pandemic. The Budget reflects continued delivery of the unprecedented \$20 billion investment in housing and homeless services and increases development of housing for individuals and families experiencing homelessness. The Budget advances the emergency rental assistance program supported by Federal funds. The Budget includes new investments in child care and provides a better path for youth involved in the criminal justice system to become law-abiding citizens through continued implementation of the landmark Raise the Age legislation.

## Overview

New York's human services programs promote the safety and well-being of the State's most vulnerable residents, provide Unemployment Insurance benefits, safeguard workers' rights, and support New York's veterans and their families.

The Office of Temporary and Disability Assistance (OTDA) and the Office of Children and Family Services (OCFS) oversee programs that support and provide financial assistance to elderly and disabled persons who are unable to work; services to public assistance recipients to prepare for and secure employment; child support enforcement; child care subsidies to assist low-income working families; protective services for children and adults; and services to at-risk youth in the community, local detention centers, and State operated facilities.

Homes and Community Renewal (HCR) preserves and creates affordable housing and promotes community development. The Office of National and Community Service (NCS) supports community service grants that provide youth education, assistance to individuals with disabilities, public health services, and disaster preparedness.

The Department of Labor (DOL) protects workers, operates the State's Unemployment Insurance System, and promotes workforce development. The Division of Human Rights (DHR) protects civil rights in the areas of employment, housing, public accommodations, education and credit.

The Division of Veterans' Services (DVS) connects veterans, members of the armed forces, and their families to the economic, medical, and social benefits and services they've earned through active duty military service.

## Responding to the Pandemic

The global pandemic that blindsided New York State presents extraordinary challenges to New Yorkers, and particularly to those already struggling to obtain the basic needs of adequate food, shelter, employment, child care, and others. Governor Cuomo implemented an unprecedented, wide-ranging effort to help New Yorkers as the pandemic upended the economy and generated record job losses. These actions included:

- Responding to a more than ten-fold increase in the numbers of unemployed seeking unemployment benefits through the Department of Labor, enlisting state employees from multiple agencies to help process claims;
- Providing food benefits to children who would otherwise receive free school lunches through the Pandemic Electronic Benefit Transfer (P-EBT) program;
- Providing \$163.6 million from the CARES Act with a targeted approach to deliver child care scholarships for essential workers so they may continue their critical duties, and ensuring the availability of quality child care through availability of supplies and reopening grants, aiding the economic recovery;
- Placing a moratorium on evictions to ensure no tenant was evicted during the height of the public health crisis;
- Prohibiting charges or fees for late rent payments, and providing payment options to tenants facing financial hardship; and
- Placing a moratorium on foreclosure proceedings, temporarily preventing local governments from engaging in a tax lien sale, blocking negative credit reporting for property owners granted a stay of mortgage foreclosure, and extending the Senior Citizens' Homeowner Exemption and Disabled Homeowner Exemption.

### Performance Profile

**Delivering Affordable Housing.** The Governor's plan set the ambitious target of creating or preserving 100,000 affordable housing units, and the State is well on track toward meeting that mark, having already financed the new construction and preservation of 66,500 affordable units.

**Expanding Supportive Housing.** Governor Cuomo's commitment of 6,000 new units of supportive housing within 5 years was achieved and exceeded ahead of schedule, paving the way for meeting the goal of 20,000 units within 15 years.

**Supporting the Unemployed.** Since the beginning of the pandemic, DOL has paid out more than \$61 billion in benefits to over 4 million New Yorkers - nearly 29 typical years' worth of benefits.

**Increasing the Minimum Wage.** Since 2014, New York State raised its minimum wage five times, increasing earnings for 1.5 million New Yorkers. The 2020 Statewide average of \$13.55 exceeds the Federal minimum wage by 87 percent.

## Providing Opportunity and Supports for All New Yorkers

Vulnerable and underserved communities were hit especially hard by both the COVID-19 virus and its economic fallout. In the midst of the pandemic, the State's human services agencies administered programs to provide benefits and support to millions of New Yorkers, many facing sudden and unforeseen challenges, providing basic needs and oftentimes helping families stave off financial ruin.

Despite the challenges of the pandemic, progress continued on a slate of critical programs and policies that are providing social and economic justice and opening doors to opportunity at a time when it is needed most. This includes the Governor's historic \$20 billion investment in affordable and supportive housing, which is creating or preserving more than 100,000 units of affordable housing and creating 6,000 new units of supportive housing over the first five years of the plan. With the supportive housing component already achieved and exceeded, the State is on a path to meet the Governor's goal of creating, over 15 years, a total of 20,000 supportive housing units, which provide both affordable housing and services to people who may be at risk of homelessness.

In April 2016, Governor Cuomo signed into law the nation's first statewide \$15 minimum wage plan, marking a major milestone in the Governor's efforts to restore economic justice and fairness to working families in New York State. Five annual increases to the minimum wage have taken place so far during what was the longest economic expansion in both the State and the nation since the 1850s. More than 1.5 million New Yorkers saw their incomes raised, while unemployment dropped to historic lows. The economic downturn caused by COVID-19 disproportionately impacted minimum wage workers and the \$15 minimum wage phase-in continues outside of New York City, where it is already at \$15. Those earning the minimum wage represent a large portion of the hardest-hit industries, including retail trade and leisure and hospitality.

The Governor established a \$175 million Workforce Development Initiative in 2019 that will continue to support strategic regional efforts to meet businesses' short-term workforce needs, improve regional talent pipelines, extend apprenticeships, address the long-term needs of expanding industries, and provide opportunities for job seekers. As the economy recovers from the COVID-19 pandemic, the importance of workforce development is heightened for both employers and workers.

Through the Raise the Age initiative, New York's youth who commit crimes are now receiving age-appropriate programming, separate from adults, to lower their risk of re-offense. New York was previously one of only two states that automatically prosecuted 16- and 17-year-olds as adults, which prevented youth from receiving the services they needed to be rehabilitated and re-integrated into their communities.

The Nonprofit Infrastructure Capital Investment Program (NICIP) makes targeted investments in capital projects that improve the quality, efficiency, and accessibility of nonprofit human services organizations that provide direct services to New Yorkers.

## Table 11: Summary of All Funds Spending

Category	FY 2021 (millions)	FY 2022 (millions)	Change	
			Dollars	Percent
			(millions)	
Human Services	9,917	10,477	559	5.6
OTDA	5,237	5,965	728	13.9
OCFS	3,212	2,867	(344)	(10.7)
DOL	567	649	82	14.5
HCR	836	933	97	11.6
DVS	16	16	(0)	(0.9)
NCS	17	17	0	1.9
DHR	14	14	(0)	(2.6)
NICIP	18	15	(3)	(16.7)

Note: Spending reductions may be restored if the State receives requested Federal COVID relief funds.

## Proposed FY 2022 Human Services Budget Actions

### Expanding Access to Affordable Housing and Combatting Homelessness

- Continue the \$20 Billion Affordable Housing and Homelessness Initiative.** The Budget continues the \$20 billion, comprehensive five-year investment in affordable housing, supportive housing and related services to provide New Yorkers with safe and secure homes. The ambitious goal of this investment is to create or preserve over 100,000 units of affordable housing and create 6,000 new units of supportive housing.

The State is well on track toward meeting these affordable housing goals and has exceeded those for supportive housing. To date, New York has financed the new construction and preservation of more than 66,500 affordable housing units and more than 7,000 units of supportive housing that provide stability for some of the state’s most vulnerable populations, including veterans, victims of domestic violence, frail or disabled senior citizens, young adults aging out of foster care, and New Yorkers identified as homeless with special needs, conditions, or other life challenges. With this success, the Governor has continued the State’s commitment to supportive housing. The goal remains to create 20,000 units over 15 years, and the Budget includes \$250 million in additional capital funding for supportive housing to continue making progress in FY 2022.

Funding continued in the Executive Budget for affordable housing includes \$3.5 billion in capital resources, \$8.6 billion in State and Federal tax credits and other allocations, and \$8 billion to support the operation of shelters, supportive housing units, and rental subsidies.

Specifically, the FY 2022 Budget continues and commits the following capital resources necessary to ensure continued delivery of safe, affordable housing as part of the housing plan:

- **Supportive Housing.** Continues \$950 million for the construction or operation of 6,000 supportive housing units throughout the State, and commits an additional \$250 million for the next year of supportive housing commitments toward the creation of 20,000 units over 15 years;
- **New Construction.** \$472 million for new construction or adaptive reuse of rental housing affordable to households that earn up to 60 percent of area median income (AMI);
- **Senior Housing.** \$125 million for developing or rehabilitating affordable housing targeted to low-income seniors, aged 60 and above;
- **Rural and Urban Community Investment Fund (CIF).** \$45 million for mixed-use affordable housing developments that may include retail, commercial or community development components;
- **Middle Income Housing.** \$150 million for new construction, adaptive reuse, or reconstruction of rental housing affordable to households that earn between 60 and 130 percent of AMI;
- **Affordable Housing Preservation.** \$146 million for substantial or moderate rehabilitation of affordable multi-family rental housing currently under a regulatory agreement;
- **Mitchell-Lama Rehabilitation.** \$75 million to preserve and improve Mitchell-Lama properties throughout the State;
- **Public Housing.** \$125 million for substantial or moderate rehabilitation and/or the demolition and replacement through new construction of public housing authority developments outside of New York City;
- **Small Building Construction.** \$62.5 million for rehabilitation and/or the demolition and replacement through new construction of buildings of 5 to 40 units;
- **Home Ownership.** \$41.5 million for promoting home ownership among families of low and moderate income and stimulating the development, stabilization, and preservation of New York communities;
- **Mobile and Manufactured Homes.** \$13 million for mobile and manufactured home programs;
- **Main Street Programs.** \$10 million for stimulating reinvestment in properties located within mixed-use commercial districts located in urban, small town, and rural areas of the State;

- **New York City Housing Authority (NYCHA).** \$200 million within the housing plan (and \$450 million in other reappropriations) for projects and improvements related at housing developments owned or operated by NYCHA; and
- **New York City Affordable Housing.** \$100 million for the preservation, restoration or creation of affordable housing units in New York City. All units must be affordable to households earning up to 60 percent of AMI.
- **Support Homeless Housing.** The Budget continues \$128 million for the Homeless Housing and Assistance Program (HHAP), a level achieved when funding for the program was doubled in FY 2021, adding to the \$20 billion affordable housing plan. This investment will create more housing for individuals and families who are homeless and unable to secure adequate housing without special assistance. HHAP is a critical resource in achieving the State's supportive housing development goals, as it funds the capital construction of housing solely targeted to homeless individuals and families that require wrap-around services to remain stably housed. Adding permanent supportive and affordable housing is an effective long-term solution to reducing the homeless shelter census and associated costs and improves the quality of life of the entire community in which the housing is located.
- **\$1.3 Billion to Protect Renters.** The Budget advances the emergency rental assistance program supported by Federal funds. The program will support households in rental arrears that have experienced financial hardship, are at risk of homelessness or housing instability, and that earn less than eighty percent of area median income. The program would prioritize the unemployed and those with the lowest incomes. As part of this, there will be a hardship fund for the undocumented. In addition to using the \$800 million provided directly to the State, it would be structured to enable coordinated efforts between the State and the local governments that opted to receive funds directly – leveraging the \$480 million in resources provided to locals, gaining efficiencies, and preventing fraud.
- **Keep New Yorkers Housed.** The Budget proposes legislation to ban fees for late and missed rent payments during the COVID-19 pandemic and allow tenants to use their security deposit as immediate rental payment and repay the deposit over time, through May 1, 2021.
- **Codify Sales Tax Exemptions for Affordable Housing.** The Budget proposes to codify the eligibility of the sales tax exemption for not-for-profit Housing Development Fund Corporations, helping further support the development of affordable housing projects.
- **Expand Homeownership.** The Budget proposes to expand the State of New York Mortgage Agency (SONYMA) partners to a broader pool of lenders to expand pathways to homeownership. SONYMA would also be permitted to modify its mortgages to assist financially distressed homeowners.
- **Ensure Availability of Disaster Assistance.** The FY 2022 Budget provides an additional \$130 million in capital funding to continue projects related to ongoing reconstruction efforts at the Governor's Office of Storm Recovery (GOSR).

## Providing Quality Human Services

- **Support Child Care Programs.** The Executive Budget maintains \$832 million for child care subsidies through the New York State Child Care Block Grant. These funds serve approximately 169,000 children, ages 0-13, from approximately 101,000 low-income families. Including child-focused tax credits and pre-kindergarten programs, support for families with child care-aged children totals nearly \$2.8 billion, an increase of more than \$500 million since FY 2011.

In addition, the Budget invests \$40 million to ensure that no low-income New York family receiving a subsidy pays more than 20 percent of their income above the poverty level for child care co-pays, reducing the burden on approximately 32,000 working families. It also invests \$6 million for start-up grants to create programs in child care deserts and wage supports for programs located in existing deserts identified through the Regional Economic Development Councils (REDCs).

The Budget enhances the Excelsior Jobs Program and Employer Provided Child Care Credit, providing meaningful incentives to employers to help them provide much needed child care to their employees. The Excelsior Jobs Program is enhanced to allow for an expanded five percent Investment Tax Credit component and a credit for six percent of ongoing net child care expenditures provided by the credit recipient. The Employer Provided Child Care Credit is also enhanced by doubling the current credit percentages to 50 percent of qualified child care expenditures and 20 percent of qualified child care resource and referral expenditures while increasing the per taxpayer cap from \$150,000 to \$500,000.

Finally, legislation submitted with the Budget removes several unnecessary or duplicative administrative burdens on child care providers.

- **Support the Unemployed and Protect Workers.** Since the beginning of the pandemic, DOL has paid out more than \$61 billion in benefits to over 4 million New Yorkers - nearly 29 typical years' worth of benefits. The Executive Budget and administrative actions advance a package of reforms to the unemployment system, including upgrades to modernize technology, allowing work search activities to be performed via video conference and online, and creating a centralized virtual portal for workers to file wage, discrimination, retaliation, and other workplace violation claims. In addition, DOL will implement emergency measures that base partial unemployment benefits on the number of hours actually worked over the course of a week to incentivize unemployed New Yorkers to assume a part-time job as they search for full-time work. Legislation submitted with the Budget will make permanent new benefit calculations for partial UI made possible by technological improvements.
- **Assist Workers in Getting Vaccinated.** To protect workers and those returning to work, improve public health, and help the State's economic recovery, public and private employers would be required to provide four hours of paid leave for up to two COVID-19 vaccinations for each employee.

- **Advance the Economic Recovery through Workforce Development.** The FY 2022 Executive Budget enacts a COVID-19 Recovery Workforce Initiative, which invests \$50 million for training in high-growth industries, employer-driven training for low-income workers, and funding for small businesses to re-train and hire furloughed, laid-off, or new employees. The investments will provide durable skills that lead to high-quality jobs and support the growth of small businesses recovering from COVID-19 impacts.
- **Ensure Human Rights Protections for all New Yorkers.** The Budget supports the expansion of the Equal Rights Amendment in the State Constitution to permanently codify rights that reflect New York's commitment to equality. Legislation submitted with the Budget also adds citizenship and immigration status as protected classes under the Human Rights Law, and extends anti-discrimination provisions to for-profit schools to better protect against discrimination, harassment, and bullying in such institutions.
- **Continue Implementation of Raise the Age.** The age of criminal responsibility was increased from 16 to 17 on October 1, 2018 and from 17 to 18 on October 1, 2019. The Budget continues support for implementation, including comprehensive diversion, probation, and programming services for 16- and 17-year old youth in the juvenile justice system. This includes support for Voluntary Agency Not-for-Profit providers in the operation of residential programs, but reimbursement payments will be limited to actual placements. Previously, providers had received reimbursement for the cost of maintaining a bed, regardless of its usage, to ensure sufficient capacity as the juvenile justice system adjusts to the new RTA law. This change reflects that the number of youth adjudicated to a placement remains below initial projections.
- **Right-size Capacity at State Youth Facilities.** Four youth facilities have been chronically underfilled, with a total bed capacity of 142 and only 50 youth currently placed. Given system-wide long-term excess capacity, which could handle these youth elsewhere, these facilities will be closed. Article VII legislation submitted with the Budget will amend the one-year notice requirement to allow these facilities to close in calendar year 2021. In addition to \$21.8 million in operational savings on a full annual basis, closure of these facilities will result in avoidance of approximately \$14 million in capital costs, which would better allow OCFS to manage the needs of their remaining capital-intensive facilities.
- **Consolidate Community Multi Service Offices (CMSOs).** OCFS currently operates ten CMSOs and four satellite offices that provide community supervision and family engagement and support during a youth's residential placement and after their return to the community. As arrest rates continue to fall, the Executive Budget will consolidate CMSOs in New York City and Central New York to better align program staffing with the youth census population.
- **Consolidate the Community Optional Preventive Services (COPS) and Supervision and Treatment Services for Juveniles Program (STSJP) Programs.** The COPS program serves children or youth who are not at imminent risk of foster care, but who have been identified as being at general risk of entering the foster care system. STSJP seeks to divert at-risk, alleged or adjudicated juvenile delinquents (JDs), Persons in Need of Supervision (PINS) or Juvenile Offenders (JOs), as appropriate, from detention,

residential placement or from recidivating. Given that the programs serve similar constituencies, the Executive Budget consolidates them to provide greater flexibility in service delivery for at-youth risk and to allow local governments to better react to changing needs and/or best practices in the field. The Budget also captures associated efficiencies by reducing the total funding for the combined program by 20 percent.

- **Comply with the Federal Family First Prevention Services Act.** Legislation submitted with the Budget will support compliance with the Federal Family First Prevention Services Act (FFPSA) by helping to keep children safely with their families or in the least restrictive, most family-like setting appropriate to their special needs when foster care is needed. FFPSA mandates that local districts operate evidence-based prevention programs for a variety of services such as mental health, substance abuse prevention and treatment, timely assessments of children and reviews of children with special needs who are placed in qualified residential treatment programs (QRTPs) to ensure their continued need for such care. The proposed legislation is critical to assist local districts towards meeting these federal requirements by the September 2021 federal deadline.
- **Continue Re-aligned Fiscal Responsibility for Committee on Special Education Placements.** The room and board costs for children with severe disabilities placed by Committees on Special Education are shared between local social services districts and school districts. There is no State share for New York City placements, and the former 18.42 percent State share for placements outside of New York City was eliminated in the FY 2021 Enacted Budget. For Statewide consistency, the Executive Budget makes the current funding structures permanent, thereby aligning the fiscal responsibility with the school district responsible for the placement.
- **Streamline Unclaimed Child Support Collections.** The current process by which unclaimed child support funds are transferred to the Office of State Comptroller is overly cumbersome, as it requires a court order prior to turning the funds over to the county treasurer/commissioner of finance, where they are held for five years. Legislation submitted with the Budget will make it easier for parents to claim child support payments or overpayments due by utilizing the established public claims process available on the Comptroller's website. This measure also provides administrative relief for social services districts by simplifying the process.
- **Ensure Statewide Access to Veterans' Treatment Courts.** Veterans face unique challenges that result from the trauma and sacrifice they may have endured in service to their country. Legislation submitted with the Budget would help provide Statewide access to veterans' treatment courts, which recognize these unique challenges and help ensure that veterans receive appropriate services and that their cases are resolved in a fair and just manner.
- **Require Differential Response Programs for Child Protection.** Legislation submitted with the Budget would require local social services districts to establish differential response programs that would serve as an alternative to child protective services for select allegations of maltreatment. Such programs promote the well-being of children by utilizing a collaborative approach to meeting the needs of families, where there is an accepted

report of child abuse or maltreatment, but no immediate or impending danger has been identified regarding the safety of the child or family.

- **Align Gifts to Food Banks with Related Programs.** The Department of Health administers food banks programs, including allocating funding and distributing information to individuals in need. For the purpose of efficiency and to align administration of similar programs, administration of the fund associated with a tax check off box whereby New Yorkers voluntarily contribute to food banks through their tax return will be moved from OTDA to DOH.
- **Reduce Human Services Local Assistance Payments to Reflect the Fiscal Crisis.** As a result of the fiscal crisis caused entirely by the pandemic, and consistent with programs throughout the State budget, Human Services local assistance payments will be reduced by 5 percent. These spending reductions may be restored if the State receives requested Federal COVID relief funds.