



The Executive Budget supports programs that are a lifeline for vulnerable New Yorkers as the global pandemic persists. The Budget also advances a slate of critical programs and policies that bolster social and economic justice and open doors to opportunity, including a new \$25 billion investment in housing and homeless services, support for renters and homeowners, investments in child care, and worker protections.

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 and the Office of Children and Family Services 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 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 COVID-19 pandemic made plain the fragile connection many New Yorkers have to basic needs, especially in vulnerable and underserved communities. As the virus wreaked havoc, the ensuing economic fallout was congruently challenging for many families. The State's human services agencies administered programs that helped keep people in their homes, stave off financial ruin, keep families fed, pay utility bills, and ensure access to child care so people could return to work.

Keeping Renters in their Homes. In 2021, OTDA paid and obligated more than \$2 billion for rental arrears, temporary rental assistance, and utility arrears through the Emergency Rental Assistance Program (ERAP), supporting more than 160,000 low and moderate-income households at risk of housing instability. Additionally, OTDA is administering State-funded programs totaling \$250 million for renters who do not meet the income criteria of ERAP and landlords whose tenants have left their rental property or who are unwilling to apply for ERAP.

Protecting Homeowners. Homeowners at risk of default, foreclosure, or displacement as a result of a financial hardship caused by the COVID-19 pandemic are receiving support from the \$540 million New York State Homeowner Assistance Fund, administered by HCR.

Extending Benefits to Excluded Workers. Thousands of workers across New York State lost income during the pandemic but did not qualify for government-issued COVID-19 benefits, even though they were an integral part of keeping the State running during the worst moments of the pandemic. The Excluded Workers Fund, administered by DOL, was created to bring financial relief to these individuals. In 2021, \$2 billion in benefits were paid.

Ensuring the Availability of Child Care. As access to quality child care is critical not only to children and families, but to the economic recovery, the State is investing \$2.3 billion through the Federal American Rescue Plan Act and Coronavirus Response and Relief Supplemental Appropriations Act. In 2021, OCFS awarded Stabilization Grants to nearly 15,000 child care providers, helping to cover the costs of personnel, rent or mortgage, utilities, facility maintenance or improvements, personal protective equipment, supplies needed to respond to COVID-19, goods and services needed to maintain or

resume child care services, mental health supports for children and employees, health and safety training for staff, and more. Funding is also supporting child care for the children of essential workers, expanding access in child care deserts, bolstering subsidy programs, and helping to improve the quality of providers.

Providing Basic Needs. The Home Energy Assistance Program, administered by OTDA, which helps vulnerable New Yorkers avoid having their home heating disconnected or exhausting their heating source amid fuel price increases, has been expanded through the availability of additional federal funding. Likewise, emergency assistance through the Supplemental Nutrition Assistance Program is playing an integral role in helping to reduce food insecurity across the state.

PROVIDING OPPORTUNITY AND SUPPORT FOR ALL NEW YORKERS

As the need to ensure basic needs are met persisted during the pandemic, ongoing efforts by the human services agencies to make lives less precarious were redoubled. Progress continues 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.

New York is in the final stage of the \$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 five years. With the supportive housing component of the plan achieved and exceeded, the State is now on a path towards 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. There is much more to do, and a new five-year housing plan is launched with this Executive Budget.

Through the Raise the Age initiative, New York State's youth who commit crimes are now receiving age-appropriate programming, separate from adults, to lower their risk of re-offense. New York State 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.

Efforts continue to modernize the way Unemployment Insurance benefits and other programs administered by DOL are provided, with improved technology to improve service, new ways of communicating with recipients, and greater transparency.

PROPOSED FY 2023 HUMAN SERVICES BUDGET ACTIONS

Expanding Access to Affordable Housing and Combatting Homelessness

Launch a New Five-Year, \$25 billion Comprehensive Housing Plan.

The Budget advances a new \$25 billion, five-year Housing Plan to create and preserve 100,000 affordable homes, including 10,000 homes with support services for vulnerable populations, and electrify an additional 50,000 homes as part of the State's plan to electrify one million homes and make another one million electrification-ready. Funding includes \$5.7 billion in capital resources, \$8.8 billion in State and Federal tax credits and other federal allocations, \$11 billion to support the operation of shelters and supportive housing units and to provide rental subsidies. The plan expands on existing State programs and creates new ones, including the following:

- **Supportive Housing.** \$1.5 billion for the construction of 7,000 supportive housing units and rehabilitation of 3,000 supportive housing units throughout the State, toward the creation of 20,000 units over 15 years;
- **Multi-Family New Construction.** \$1 billion 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.** \$300 million for developing or rehabilitating affordable housing targeted to low-income seniors, aged 60 and above;
- **Middle-Income Housing.** \$90 million for new construction, adaptive reuse, or reconstruction of rental housing affordable to households that earn between 60 and 130 percent of AMI;
- **Community Investment Fund.** \$80 million for mixed-use affordable housing developments that may include retail, commercial or community development components;



- **Public Housing Preservation.** \$150 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;
- **Multi-Family Preservation.** \$450 million for substantial or moderate rehabilitation of affordable multi-family rental housing currently under a regulatory agreement;
- **Mitchell-Lama Preservation.** \$120 million to preserve and improve Mitchell-Lama properties throughout the State;
- **Small Building Rehab.** \$60 million for rehabilitation and/or the demolition and replacement through new construction of buildings of 5 to 40 units;
- **Accessory Dwelling Units.** \$85 million for the creation or rehabilitation of Accessory Dwelling Units (ADUs), including backyard cottages, attics, garages, and basements;
- **Manufactured Homes.** \$20 million for mobile and manufactured home programs;
- **Homeownership Programs.** \$400 million for promoting home ownership among families of low and moderate income and stimulating the development, stabilization, and preservation of New York communities. This includes a \$50 million pilot for affordable homeownership opportunities that prioritize resident control;
- **Electrification.** \$250 million to weatherize and electrify New York's housing stock, including through all-electric, high-performance equipment for heating and air-conditioning, alternative energy sources, and other energy-efficient best practices.

\$2 Billion to Protect Renters. The Executive Budget continues support for the federally funded Emergency Rental Assistance Program. In 2021, ERAP paid or obligated more than \$2 billion for rental arrears, temporary rental assistance, and utility arrears, and the State continues to request additional federal funds to support this program. Additionally, OTDA is administering State-funded programs totaling \$250 million for renters who do not meet the income criteria of ERAP and landlords whose tenants have left their rental property or who are unwilling to apply for ERAP.

Expand Housing Supply. Housing costs continue to rise throughout the state, exacerbated by inadequate housing supply. To improve housing affordability and availability, the Budget advances legislation to expand the State's housing supply, as follows.

- **Bolster Accessory Dwelling Units (ADUs)**—Require municipalities to allow a minimum of one ADU on owner-occupied residentially zoned lots.
- **Spur Transit-Oriented Development**—Allow dense multifamily construction in zones around rail transit stops within commuting distance to New York City.
- **Allow Appropriate Density**—Repeal of the statutory limitation on the maximum density of the residential area of buildings in New York City, authorizing the City to allow for denser residential development where appropriate.
- **Encourage Hotel Conversions**—Allow any Class B hotel located within or near a residential zoning district in New York City to use the existing certificate of occupancy to convert to permanent residences, as long as the units are subject to applicable rent stabilization laws and agreements. Alterations must follow regulations for Class B hotels.
- **Create Affordable Neighborhoods**—The Budget establishes the Affordable Neighborhoods for New Yorkers program to provide for the development of much needed affordable housing in New York City.

Keep People in their Homes. The Executive Budget supports three key initiatives that are geared toward ensuring that both homeowners and renters remain in their homes, preventing evictions and homelessness.

- **Homeowner Assistance Fund (HAF)**—Continue support for the \$540 million federally funded program that provides direct financial support to homeowners at risk of default, foreclosure, or displacement as a result of a financial hardship caused by the COVID-19 pandemic.
- **Homeowner Protection Program (HOPP)**—Provide \$20 million for HOPP, which offers homeownership counseling, assistance with applying for a mortgage modification, and direct representation in court proceedings and settlement conferences.

- **Legal Representation for Eviction**—Provide \$35 million for the Eviction Prevention Legal Assistance Program, which will offer free legal assistance to renters who currently cannot afford counsel in eviction proceedings outside of New York City, where services are already available. Renters facing eviction with incomes at or below 200 percent of the Federal poverty line will be supported by local legal service providers.

Ensure Fair and Equitable Housing. The Budget advances legislation and funds efforts to address the challenges and discrimination that many New Yorkers face when seeking rental housing.

- **Credit History**—Landlords will be prohibited from automatically denying applicants on the basis of credit history or score if the applicant can demonstrate 12 months of on-time rental payments, receipt of rental subsidies, or evidence that the negative credit history is solely due to unpaid student loan or medical debt.
- **Justice Involvement**—Landlords will also be prohibited from automatically rejecting individuals with justice involvement.
- **Fair Housing Testing**—The Budget provides \$2 million for fair housing testing and education throughout the State, including in counties not previously served by local fair housing organizations. Under such programs, people pose as prospective renters, borrowers, or patrons to identify unlawful housing discrimination.

Expand Uses of Transitional Rental Assistance Program. Governor Hochul signed legislation expanding the Family Homelessness and Eviction Prevention Supplement (FHEPS) program in New York City. This bill ensures that FHEPS is an eligible use of the \$100 million Transitional Rental Assistance Program that was created with the FY 2022 Budget to enable local social service districts to support rent supplements to prevent homelessness and address housing instability.

Ensure Availability of Disaster Assistance. The Budget provides an additional \$77 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. Child care is essential to give children the best possible chance at success and parents the ability to participate and advance in the workforce. Similarly, the availability of child care is vital to the State's economic recovery. However, the pandemic has caused acute stress on the child care industry, as many providers closed and others struggled with workforce issues.

Using Federal funding, New York State has reinforced the care industry, awarding \$900 million in Child Care Stabilization Grants to more than 15,000 providers Statewide. These payments are helping to cover the costs of child care workers, rent or mortgage, utilities, supplies, training and many other purposes.

In recognition of the vital role essential workers played during the pandemic, child care scholarships were provided to nearly 42,000 of their children.

Federal funds are also being used to make systemic changes that will permanently expand the availability, quality and affordability of child care. Families up to 200 percent of the Federal poverty level are given access to subsidies, and family co-payments are limited to 10 percent of income over the Federal poverty level. Further investments are being made to increase capacity in child care "deserts" and to help parents find the child care provider that's right for them. In all, \$2.3 billion in extraordinary support is being given to families and child care providers.

The efforts to stabilize and strengthen the availability, affordability, and quality of child care in New York State builds on \$832 million for child care subsidies through the New York State Child Care Block Grant, maintained in the FY 2023 Executive Budget. These funds serve approximately 132,000 children, ages 0-13, from approximately 79,000 low-income families.

The Executive Budget builds on these successes in several ways:

- **Increase Eligibility for Subsidies**—eligibility for child care subsidies will be increased from up to 200 percent of the Federal poverty level (about \$53,000 for a family of four) to up to 300 percent of the Federal poverty level (about \$79,500 for a family of four), over three years. In FY 2023, in the first phase of the



expansion, an additional 100,000 children will become newly eligible as subsidies become available to families with incomes up to 225 percent of the Federal poverty level (about \$59,600 for a family of four).

- **Maintain Access to Child Care Providers**—\$125 million in funding annually is included to maintain child care subsidies when the rates are scheduled to reset in October 2022.
- **Support Child Care Workers**—\$75 million is invested in child care worker wages, an endorsement of the importance of their work which will also help providers stay open in a tight labor market.

The Executive Budget supports more than \$5 billion in programming for families with child care-aged children, including child care subsidies, child-focused tax credits, pre-kindergarten programs, support for the child care system, and extraordinary aid.

Continue Implementation of Raise the Age. The Executive Budget continues \$250 million in appropriated support for Raise the Age, which increased the age of criminal responsibility from 16 to 18.

Invest in Home Visiting. Currently, 37 of 58 social service districts operate home visiting programs, serving 6,000 families and achieving positive outcomes. The Executive Budget directs an additional \$11 million to the Home Visiting program, bringing the total level of State support to \$41.5 million. This increase will allow the program to serve an additional 1,600 families, statewide.

Modernize Foster Care Rates. The Executive Budget advances legislation to modernize the rate methodology used to reimburse costs associated with the care of a child in foster care. The new methodology will use United States Department of Agriculture (USDA) data. This change will provide \$43.5 million to nearly 25,000 families through increased adoption subsidies.

Pay the 5.4 percent Human Services COLA. Funding is included to pay the 5.4 percent human services COLA for applicable OCFS and OTDA programs, including Foster Care, Adoption, NY/NY III, and Nutrition Outreach and Education Program.

Establish the first New York State Veterans' Cemetery. The Executive Budget supports the establishment of the first State Veterans'

cemetery which will provide a permanent, State-owned resting place to honor New York's veterans and their families.

Reinforce Support for Veterans. Current State law requires New York to provide every county and city Veterans' Service Agency with \$10,000 per year, and an additional \$5,000 for each increment of 100,000 people living in the county or city. The Executive Budget increases the minimum annual State funding to Veterans' Service Agencies from \$10,000 to \$25,000. The Executive Budget also includes \$1 million to expand the number of Veterans' Benefit Advisors at DVS. Together, these investments will help connect veterans with the benefits they have earned.

Invest in Runaway and Homeless Youth Housing. The Executive Budget proposes a \$2 million increase in funding for runaway and homeless youth services by supporting the expansion of crisis and transitional living beds.

Make Changes to the Public Assistance (PA) Program to Address Poverty. The Executive Budget proposes changes to PA to help alleviate the "benefits cliff" by encouraging increased earnings and allowing more savings while remaining eligible for the program. In addition, the Budget proposes to eliminate the 45-day waiting period for prospective Safety Net Assistance recipients before they can begin to receive program benefits.

Disability Advocacy Program (DAP). The Executive Budget doubles Executive support for the DAP program from \$2.6 million to \$5.3 million, supporting the legal representation of disabled individuals seeking Federal disability benefits under SSI or SSDI.

Services for Refugee Resettlement. The Executive Budget continues Governor Hochul's investment of \$2 million to provide services to help refugees resettle in New York State.

Invest in Worker Protections and Strengthen Workers' Rights. To support New York State's workforce, the Budget invests \$12.4 million in the Department of Labor's enforcement of worker protections, including those protections enacted through recent legislation related to elevator safety, airborne diseases, and prevailing wage. Legislation submitted with the Executive Budget also bans agreements that limit workers' ability to move and work freely by eliminating non-compete agreements for workers making below

the median wage and explicitly banning all "no-poach" agreements under State antitrust law. Additional legislation increases criminal penalties for employers who knowingly or intentionally commit wage theft violations to more closely align with penalties for other forms of theft.

Support Investigations of Discrimination. Coverage under the Human Rights Law has expanded, and caseloads have increased in recent years. The Executive Budget invests \$3.7 million to support DHR's efforts in protecting New Yorkers from unlawful discrimination based on their protected class status, bringing the new total to \$12.5 million.

Expand Human Rights Protections. The Executive Budget adds both status as a victim of domestic violence and citizenship and immigration status to the protected classes covered by the Human Rights Law.

Bolster Nonprofit Infrastructure. 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. The Executive Budget provides an additional \$50 million for new grant awards.

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 for one year in both the FY 2021 and FY 2022 Enacted Budgets. 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.

Enhance the Liberty Defense Program. The Liberty Defense Project provides legal assistance and representation to immigrants in New York State. The Executive Budget includes \$12 million in funding to sustain the current program, serve additional New Yorkers who need protection and assistance, fund federal litigation efforts around immigration law, and increase social worker capacity.

Strengthen the Office of New Americans. The Executive Budget includes \$8 million to enhance the current Office of New Americans (ONA) Program. ONA administers grant programs and oversees a network of community providers that help immigrant New Yorkers with citizenship applications and workforce development.





SUMMARY OF ALL FUNDS SPENDING

CATEGORY	FY 2022 (MILLIONS OF DOLLARS)	FY 2023 (MILLIONS OF DOLLARS)	DOLLAR CHANGE (MILLIONS OF DOLLARS)	PERCENT CHANGE (%)
OTDA	8,165	5,986	(2,179)	26.7
OCFS	4,543	3,799	(744)	(16.4)
DOL*	3,162	622	(2,540)	(80.3)
HCR	1,246	2,133	887	71.2
DVS	21	20	(1)	(3.3)
NCS	18	18	0	1
DHR	17	18	1	5.9
NICIP	14	35	21	250.0
TOTAL	17,186	12,631	(4,555)	-27%

