



Testimony of

Stephanie Gendell
Associate Executive Director for
Policy and Government Relations

Citizens' Committee for Children of New York, Inc.

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Regarding the
New York State Executive Budget Proposals for
Human Services
State Fiscal Year 2015-2016

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Good afternoon. My name is Stephanie Gendell and I am the Associate Executive Director for Policy and Government Relations at Citizens' Committee for Children (CCC). CCC is a 71-year-old privately supported, independent, multi-issue child advocacy organization dedicated to ensuring every New York child is healthy, housed, educated and safe.

CCC does not accept or receive public resources, provide direct services, or represent a sector or workforce. For 71 years, CCC has undertaken public policy research, community education and advocacy efforts to draw attention to children and their needs so that we can advance budget, legislative and policy priorities that produce good outcomes for our youngest New Yorkers.

I would like to thank Chairman Farrell and Chairman DeFrancisco and members of the Assembly Ways and Means and Senate Finance Committees for holding today's hearing on the Human Services related proposals in the Governor's Executive Budget for State Fiscal Year 2015-2016.

Governor Cuomo's State of the State and Budget Address articulated the intention to take steps to address income disparities and improve outcomes for New York's children. While the economy has been steadily improving and the State is predicting a surplus, Governor Cuomo's Executive Budget also maintains a commitment to capping spending growth at 2%. We believe that while the Executive Budget takes some critical steps to accomplish the ambitious goals the Governor laid out, additional investments are needed to address the needs of children and families, while allowing the State to maintain a fiscally prudent budget.

Notably, we are supportive of the Governor's proposal to Raise the Age of criminal responsibility, which will produce better outcomes for youth while also improving public safety. We also support raising the minimum wage, passing of the Dream Act, expanding supportive housing and programs for homeless families, and investing capital funds into the human services sector.

On the other hand, the Executive Budget invests almost no additional funding in early childhood education or child welfare services, reduces funding for after-school programs, eliminates all funding for services for sexually exploited youth, and fails to invest needed resources into children's health and mental health. Furthermore, the Governor's investment in education aid is contingent upon the Legislature passing a series of education reform efforts.

We urge the Legislature to ensure that the New York State Enacted Budget for Fiscal Year 2015-2016 goes farther than the Executive Budget by investing in the services and programs that have been proven to be cost-effective and to produce good outcomes for children and families.

Specifically as it relates to Human Services, please consider the below as you negotiate the budget:

CHILD WELFARE

Having been alleged to be and sometimes found to be abused or neglected by their parents, children touched by the child welfare system are some of the most vulnerable children in the State. For those children who are found to be at imminent risk of harm at home with their families, a court removes them from their home and places them in the care and custody of the state and localities, making them the legal responsibility of the government. In the most recent federal Child and Family Services Review, New York was found to be in the bottom five states in performance in almost every area related to the safety, permanency and well-being of the children in the child welfare system.¹

Given how critical this system is, how much work is needed to strengthen, and the improving economy, CCC was shocked to see that the Executive Budget makes no additional investment in the child welfare system, maintains reductions in the state's share for critical services and fails to fund investments made by the legislature last year. We believe this is unacceptable and urge the Legislature to negotiate a budget with the Governor that makes the much-needed investments needed to strengthen the child welfare system.

Below are the detailed needs of child welfare in 4 categories: child welfare financing; additional child welfare needs; legislative adds that need to be restored; and areas of the Executive Budget we urge the legislature to support:

Child welfare financing: While the briefing book implies that the State has been paying 62% of the non-federal share for protective and preventive services since 2002-2003, this is not correct. The statute (New York State Social Service Law Section 153-k) provides for a 65% state share and this was the state share until it was first cut in the State Fiscal Year 2008-2009 budget. Each budget year since then, the State has lowered the match, presumably due to the State's economic challenges. Notably, the statute still calls for 65% state reimbursement.

The backbone of New York's child welfare financing structure is open-ended state reimbursement for the services the state wants to incentivize and a capped block grant for those services the state wants to reduce county reliance on. Thus, the state provides open-ended reimbursement for services that keep children safe, prevent foster care, and signify permanency (i.e. adoption subsidy). Alternatively, there is a block grant for foster care, which also funds private juvenile justice placements.²

CCC was extremely disappointed to see that the Executive Budget once again proposes to reimburse counties at 62% for child welfare services, rather than the statutory 65% level. **We urge the legislature to enact a budget that restores the state match to 65% and then requires the counties to invest the additional funds in strengthening services.**

¹ <http://www.ocfs.state.ny.us/main/cfsr/>

² The exception to this fiscal incentive arrangement is New York's new Kinship Guardianship Assistance Program (KinGAP), in which the subsidies for this permanency arrangement are currently funded by the Foster Care Block Grant and not open-ended reimbursement. As discussed in more detail, the Executive Budget proposes to again fund KinGAP through the FCBG.

This funding is primarily used for protective and preventive services. In some counties in the State, these additional funds are desperately needed to lower child protective caseloads. For example, in Erie County, caseloads of 44 per worker have been reported. This type of caseload size inevitably leads children to be unsafe and then can unfortunately lead to a preventable tragedy. Similarly, funding for preventive services is used to enable children to remain safely in their homes.

In addition, the Executive Budget once again proposes to fund the Kinship Guardianship Assistance Program (KinGAP or subsidized relative guardianship) through the Foster Care Block Grant (FCBG). The FCBG is intended to fund the State's share for children in out-of-home placements, including foster homes, kinship foster homes, and residential foster care placements.

Kinship guardianship is a permanency arrangement for children living with relatives who are not going to be reunified or adopted for reasons deemed to be in the child's best interest by both the local social service district and the Family Court. The goal of KinGAP is to provide these children with permanency outside of the foster care system, and enable their relatives to continue to receive a subsidy. As with adoption subsidy, the federal government pays 50% of the KinGAP subsidy and the counties and state split the other 50%. Given that almost all counties use their full FCBG allocation, funding the state share of KinGAP subsidies in the FCBG is a pure cost-shift. **CCC urges the Legislature to adopt a budget that removes KinGAP from the Foster Block Grant and funds the state share in the same manner as adoption subsidy.**

Finally, the Executive Budget provides a COLA for some human services workers. The Executive Budget only includes 50% of the cost of the COLA for foster care staff in the foster care block grant, leaving localities to have to find the other 50% for foster care staff. It is also important to note that the COLA does not apply to preventive service workers, who are a critical component of the child welfare workforce.

Additional Child Welfare Reforms Needed:

- **Invest in Services that Prevent Child Abuse and Neglect Before it Occurs:** State reimbursement for preventive services requires a case to be opened for a family to receive services. To do this, there must be a documented risk of foster care, which does not allow a local social service district to invest in primary preventive services. Ideally, local social service districts would use data to target services to locations with high rates of reports (such as public housing complexes, homeless shelters or schools in areas with high rates of reports.) While the Executive Budget proposes to maintain COPS (Community Optional Preventive Services) level at \$12 million, there is no opportunity to create any new programs that target community needs. The State should either expand COPS or create a new program that allows districts to more strategically invest in services to prevent abuse and neglect.
- **Strengthen the Housing Subsidy Program:** The housing subsidy program is a preventive service, pursuant to State Social Service law and corresponding regulations.³ Since 1988, state law has authorized local social service districts to provide a housing subsidy to prevent homelessness for families receiving preventive services to prevent children from coming into

³ Social Service Law Section 409-a(5)(c); 18 NYCRR 423.3(b)(ii); 18NYCRR 423.4(l).

foster care, to help families reunify from foster care, and to assist youth ages 18-21 who are aging out of foster care.

Since 1988, the law has authorized providing eligible families with a housing subsidy of up to \$300 per month for up to 3 years or until the family reaches the limit of \$10,800. Families can also receive a payment of up to \$1,800 (up to two times during the three year period) to help pay for rent arrears or other moving costs. (These “one-shots” count towards the \$10,800 limit.) For youth, aging out of foster care, they are eligible to receive the subsidy from ages 18-21, with the same monetary limitations outlined for families.

Given that the \$300 monthly limit has not increased since 1988, has not been adjusted for inflation, and does not reflect the Fair Market Rent in New York City (or almost all counties in New York), we believe that the \$300 housing subsidy is no longer a significant enough rental assistance mechanism to secure and stabilize housing for families or youth aging out of foster care, particularly in NYC.

At a minimum, the housing subsidy should be adjusted for inflation. According to the United States Department of Labor Consumer Price Index (CPI) inflations calculator, \$300 in 1988 has the same buying power as \$602.11 in 2014.⁴

In addition, the housing subsidy should account for the housing market. According to the 2013 Census, median contract rent in NYC is \$1,125 per month. Furthermore, according to the federal Department of Housing and Urban Development (HUD) the Federal Fiscal Year 2015 Fair Market Rents for the NYC Metro area are: \$1,196 for a studio, \$1,249 for a one-bedroom, and \$1,481 for a 2 bedroom.⁵ The HUD list of FY 2014 Fair Market Rents for all NY regions is attached at the end of this testimony (compiled by the web site, the Frugal Landlord).

To ensure the housing subsidy program is better able to address housing instability for families and youth aging out of foster care, CCC respectfully requests that the State make the following changes:

- At a minimum, increase the monthly limit to \$600 (from \$300) and increase the 3-year limit accordingly so that the subsidy provides enough support for youth and families to find an apartment. (Ideally, the housing subsidy program would be adjusted for inflation each year.)
- Increase the upper age limit of subsidy eligibility from 21 to 24 so that youth who age out of foster care from ages 18-21 can avail themselves of the subsidy for up to 3 years.
- Allow those receiving the housing subsidy to live with unrelated roommates/not be required to be the leaseholder.

⁴ U.S. Department of Labor, Bureau of Labor Statistics. *CPI Inflation Calculator*. http://www.bls.gov/data/inflation_calculator.htm. Visited 11/26/14.

⁵ US Department of Housing and Urban Development. http://www.huduser.org/portal/datasets/fmr/fmrs/FY2015_code/2015summary.odn

- Ensure access to college and college supports for foster youth: New York State should invest in a comprehensive college support initiative for foster youth that includes expenses at all New York colleges and universities, as well as support in applying and once enrolled.
- Federal Preventing Sex Trafficking and Strengthening Families Act: While Part L of the ELFA Article VII bills technically brings New York into compliance with new federal laws by changing the age of the permanency plan, Another Planned Permanent Living Arrangement, to 16 and older; requiring more efforts and documentation of efforts before allowing a young person to have this permanency plan; and stating localities must be in compliance with federal normalcy regulations (not yet available), there are no new programs or funding to address youth aging out of foster care or training for foster parents. CCC is concerned that these statutory amendments are merely linguistic changes, yet we need to implement practice changes. CCC urges the legislature to pressure OCFS and the localities to implement real reforms that will prevent youth from aging out of foster care and better support normalcy while they are in care.

Critical Legislative Adds that Must be Restored:

- \$1 million for Post-adoption/Post-Permanency Services (Preventive Services): While the new federal law requires states to reinvest 20% of the savings generated by the federal government delinking Title IV-E from adoption subsidy into post-adoption services, New York State does not fund these much needed services for children adopted from the foster care system. Historically the only funding for these services has been the annual \$1 million legislative add, entitled Preventive Services, which has been funding mostly post-adoption services. These services are critical for addressing the needs and traumas of children who had been in foster care and are cost-effective because they prevent children from returning to the foster care system. We urge the legislature to both restore this funding and ensure the State is in compliance with the federal requirement.
- \$2.75 million for Child Advocacy Centers: In recognition of the tremendous work Child Advocacy Centers do with regard to helping reduce trauma for children who have often been seriously physically and/or sexually abused by bringing together law enforcement, medical professionals and child protective staff, the legislature added \$2.75 million in SFY 2014-2015 to the \$5.229 million already in the State Budget. We urge the legislature to restore the \$2.75 million so that the Child Advocacy Centers can continue their good work without loss of funding.
- At least \$3 million for Safe Harbor/Sexually Exploited Children: Currently, the only State funding for sexually exploited youth is the funding that has been provided annually by the Legislature but is not in the Executive Budget. Making this funding dependent on the Legislature has limited the ability of districts to develop a real system or infrastructure since they do not know if they will receive the funding from one year to the next. That said, this funding is critical to meeting the needs of these youth. It is imperative that the enacted budget restore the \$3 million for Safe Harbor and add funding (ideally \$9 million.)

Child Welfare Executive Budget Items to Support:

- **Nurse-Family Partnership (NFP):** The Executive Budget proposes to invest \$3 million of TANF funds into NFP. This is the same amount that the legislature had added last year, but we are very pleased to see it as a permanent line item in the budget.
- **Successor Guardianship:** The Article VII bills (Section L of the ELFA) enact provisions that will put New York in compliance with the federal Sex Trafficking Prevention and Strengthening Families Act. While much of New York's law appears to do little to change practice, we were very pleased to see the provisions related to successor guardians. Specifically, when a relative finalizes a KinGAP arrangement (kinship guardianship with a subsidy), the relative can name a successor guardian and if the guardian dies or becomes incapacitated, the successor guardian will be able to become the guardian and still receive a subsidy. Federal law now specifically allows for this and we are very pleased to see it included in the legislation.
- **\$15 million to Assist with the Transition of Foster Children to Medicaid Managed Care:** The SFY 2014-2015 Enacted Budget included \$5 million to support foster care agencies in the transition of foster children from Medicaid fee-for-service to managed care. The money was intended for training, data collection and health information technology—all critical needs if this transition will be successful. This money was never spent. Part B of the Health and Mental Hygiene Article VII bills says that this \$5 million will be reappropriated in SFY 2015-2016 and \$10 million added. CCC strongly supports the reappropriation and appropriation of these funds for this purpose. Notably, we have been unable to locate this funding in the appropriation bills and urge the legislature to ensure that this funding is its own line item, is fully funded, is spent this year, and is not a subset of other funding for health homes and/or other much-needed Medicaid Managed Care transition funds.

EARLY CHILDHOOD EDUCATION

As has been repeatedly acknowledged, including by the President, the Governor, Mayor de Blasio, and the Legislature, early childhood education is critical for leveling the playing field for low-income children, and enables parents to work and bring income stability to their families.

Last year, as an acknowledgement of the vital need to expand early childhood education, the Legislature worked with the Governor to increase funding in the Child Care Block Grant by \$34 million. In addition, the State invested \$340 million as a first step in statewide expansion of pre-kindergarten for 4-year olds, \$300 million of which was for New York City. At that time, Governor Cuomo explained that the State would be providing enough funding that any district looking to provide pre-kindergarten to four-year olds would be able to do so. In addition, the \$340 million was intended to be a first step in the pre-kindergarten expansion funding. Unfortunately, despite the promises, funding for early childhood education is essentially flat in this year's Executive Budget.

Specifically, with regard to child care, while the \$34 million is included in the Child Care Block Grant, there is no additional child care funding and a portion of state general fund support is replaced with TANF funds. Given the benefits, tremendous unmet need, and new federal CCDBG reauthorization requirements, it is imperative that funding for child care subsidies for

children ages 0-4 grow over time, rather than remain flat. **We respectfully request that the adopted budget includes \$100 million for child care subsidies statewide.**

With regard to pre-kindergarten, Mayor de Blasio has been able to use the \$300 million committed in the SFY 2014-2015 Adopted Budget to expand pre-kindergarten such that over 53,000 NYC 4-year olds now attend full-day (6 hours and 20 minutes) pre-k programs. This is a tremendous accomplishment for New York City and could not have been accomplished without the support of the State. We are truly grateful.

In addition to the \$300 million for NYC, there was only \$40 million for districts outside NYC last year. In addition, the funding was set up in a manner whereby a district would need to be able to create the program first and then get reimbursed later. This was a challenge for many of the school districts outside New York City as they did not have the cash reserve.

Our understanding was that last year's State investment in full day pre-kindergarten for 4-year olds was an enormous first step towards ensuring that every 4-year old in New York could attend a high quality pre-kindergarten program. Unfortunately, the SFY 2015-2016 Executive Budget does nothing to further the State's commitment to expanding access to pre-kindergarten to 4-year olds. The additional funding for 4-year olds alluded to in the Executive Budget is actually \$25 million in community grants awarded to five school districts by the federal government. Thus, there is no additional state funding for New York City's second wave of expansion, nor any funding for districts outside NYC. In addition, the need to lay out the funding before being reimbursed remains. **We urge the Legislature to work with the Governor to make the State's commitment to pre-k for 4-year olds real by investing \$150 million for pre-kindergarten outside NYC and ensuring NYC has the funding it needs for its second wave of expansion.**

Finally there are three Executive Budget proposals that we support and urge the Legislature to support:

- \$25 million for a grant program for pre-kindergarten for 3-year olds: CCC has long advocated for pre-k for 3- year olds and agrees that we need a program for these children as well. It is however very important to remember that there are thousands of 4-year olds that still do not have access to prekindergarten.
- \$3 million for QUALITYstarsNY: QUALITYstarsNY is a statewide system to assess, improve and communicate the level of quality in early education settings. We urge the Legislature to work with the Executive to ensure that this funding is not used merely for measuring quality but is also used to help programs improve quality.
- \$250,000 to increase participation in CACFP: CCC supports the Executive Budget proposal to add \$250,000 to help increase participation in the Child and Adult Care Food Program (CACFP), which provides federal funding for food in child care, adult care and after-school programs.

HOUSING AND FAMILY HOMELESSNESS

CCC is grateful that Governor Cuomo's Executive Budget and State of the State Address acknowledged and began to address the affordable housing and homelessness crisis throughout the State and notably in New York City. Today in NYC, more children than ever-- over 25,000 children—are living in the shelter system for lengths of stay well over a year (465 days on average).

The Executive Budget continues to expand several successful programs, such as supportive housing, eviction prevention and homeless prevention programs and NYC's Living in Communities (LINC) Rental Assistance Program. The State's support of these vital programs, is critical to both helping families remain housed and assisting families and children who need a path out of shelter.

We therefore support the funding and programs in the Executive Budget including:

- Continuing the House NY program, which invests \$1 billion of additional resources over five years to preserve and create 14,300 affordable housing units statewide and increasing the FY 2015-2016 allocation by \$130.4 million.
- Utilizing nearly \$440 million from JP Morgan Settlement Funds to support various housing programs including:
 - Up to \$116 million for NY/NY IV, a new statewide initiative to support approximately 5,000 new units of supportive housing;
 - \$100 million to preserve or create new affordable housing; and
 - \$25 million for improvements to public housing.
- Increasing funding for the Homeless Housing Assistance Program by \$500,000 to \$63.5 million.
- Funding the Housing Trust Fund at \$47.5 million.

While these programs and resources will go a long way towards helping New Yorkers struggling with housing and homelessness, we believe greater investments are needed to help the over 25,000 NYC children (over 12,000 families) currently living in the New York City shelter system. We urge the Legislature to ensure the enacted budget includes additional funding that will help families struggling with housing and homelessness. Specifically, we urge you to support:

- Increasing funding and the number of units developed as part of NY/NY IV: The Executive Budget proposes creating approximately 5,000 new supportive housing units statewide (for seniors, veterans, victims of domestic violence, formerly incarcerated individuals and individuals with co-presenting health conditions.) It also proposes that \$50 million of the \$116 million for NY/NY IV would be available for OMH to provide enhanced rates for their scatter site supportive housing. While we very pleased to see a supportive housing agreement, it falls short of what we need in terms of capacity, particularly for families with children and youth aging out of foster care. **We urge the Legislature to work with the Governor to create a new NY/NY supportive housing agreement that creates 20,000 new congregate and scatter-site units statewide (15,000 targeted to NYC) over the next 10 years.**

- Increasing funding for NYSSHP and STEHP: The Executive Budget proposes to increase funding for the Homeless Housing Prevention Services Program (HHPSP) by \$1.4 million to \$31.68 million. (Note the increase includes the \$1 million added by the legislature last year.). This program funds the Solutions to End Homelessness Program (STEHP), the New York State Supportive Housing Program (NYSSHP), and the Operational Support for AIDS Housing Program (OSAH). While we appreciate the proposed increase, it will not go far enough to fully fund existing supporting housing programs nor address increasing homelessness. **We urge the legislature to negotiate a budget that increases NYSSHP by \$2.46 million to fund all existing supportive housing programs and pipeline programs opening in SFY 2015-2016. We also urge the legislature to increase STEHP by \$5 million statewide to assist in preventing homelessness whenever possible and shorten the duration when it cannot be avoided.**
- Increasing funding for LINC in New York City: While we appreciate the Executive Budget's commitment to LINC I (families earning up to 200% of poverty and working 35 hours per week), in order to successfully reduce the record number of families and children living in shelter in New York City, increased funding is needed to serve more people. We also urge the State to support all 5 of the existing LINC programs. Currently, the five LINC programs are able to serve 6,000 people annually over a five year period. While this is a very good start, we hope that funding can be added so there need not be caps on the annual number of families who can take advantage of the program and the State will be assisting with all LINC families.

HUMAN SERVICES

The Executive Budget proposes two key investments in the Human Services sector that are critical and supported by CCC.

First, the Executive Budget maintains the State's promise of a 2% COLA for the workforce. This long overdue COLA will begin to help this largely underpaid workforce.

Second, the Executive Budget proposes using a portion of the one-time settlement funds to create a \$50 million Nonprofit Infrastructure Capital Investment Program. These funds would help nonprofits address their capital, infrastructure and technology needs as funding from this program could be used for renovations or expansions of space, technology upgrades related to electronic records, and/or accessibility renovations. In addition, CCC urges the Legislature to work with the Governor to increase this investment by carving out \$550 million from the \$5.2 billion surplus for not-for-profit capital needs.

INCOME AND FOOD SECURITY

CCC appreciates the Governor's recognition that income inequality is a tremendous issue throughout the State and it must be addressed. We support the Governor's 10-Point Plan to Combat Poverty and Fight Income Insecurity. With 29.8% of children in New York City living in poverty, 50.1% of children in Rochester living in poverty, and 23% of children in New York State living in poverty, it is true that actions must be taken.

We agree with the Governor that increasing the minimum wage is a key first step. We support the Governor's proposal to raise the minimum wage to \$11.50 in New York City, and \$10.50 in the rest of the state, due to the higher cost of living in NYC. We urge the legislature to adopt this proposal at a minimum and consider negotiating a budget that would adjust minimum wage increases to inflation and/or allow localities to establish their own minimum wage.

We believe that there are other steps that the State could take to further address income inequality and therefore help bring income security to more families. These additional proposals include:

- Increasing state support for child care subsidies by \$100 million so that more low-income parents can participate in the workforce. (A comprehensive discussion of child care is included in the early education section of the testimony above.)
- Increasing or eliminating the asset limit test for 529 college savings accounts: This would allow low-income families to save money their children's college. Studies have shown that just having a small amount of savings increases a child's college identity, thereby increasing the likelihood he/she will go to college. This could have a tremendous impact because the median income of a NY State college graduate is \$52,278, compared to \$29,549 for a high school graduate.⁶
- Passing a paid family leave law.

Turning to food security, we appreciate that the Governor's Executive Budget and 10-Point Plan includes proposals aimed at food insecurity, which were generated by his Hunger Task Force. Specifically, we support the proposals to:

- Increase funding for the Hunger Prevention and Nutrition Assistance Program (HPNAP) to \$34.547 million (a \$4.5 million increase from the FY14-15 emergency food appropriations from HPNAP and TANF.)
- Add \$250,000 to help increase participating in the Child and Adult Care Food Program (CACFP), which provides federal funding for food in child care, adult care and after-school programs.
- Add \$250,000 for a new farm to school initiative that will help schools purchase more food from local farmers and expand access to healthy local food for school children.

While we are generally supportive of the Governor's Executive Budget proposals in this area, we do urge the legislature to reject the proposal that would shift state costs to NYC by creating a 10% local share for New York City to support the Emergency Assistance to Needy Families

⁶ U.S. Census Bureau, American Community Survey 1-Year Estimates (2012), Summary Table B20004; retrieved from American FactFinder <http://factfinder2.census.gov>.

(EAF) program, which provides short-term assistance to families in crisis earning under 200% of the FPL. The State estimates this will save the State \$15 million.

JUVENILE JUSTICE

CCC is extremely pleased that Governor Cuomo recognized that it was unjust for New York to treat 16 and 17-year olds as adults in the justice system, appointed an incredibly diverse and respected Commission and then incorporated the Commission's Recommendations into the Executive Budget. As one of only two states in the country that does this, these changes are long past due. In addition, the plan is extremely comprehensive and will in fact lay the groundwork for New York to be a leader in juvenile justice. Notably, the plan will not only produce better outcomes for youth but will also do a better job of protecting public safety. CCC supports the Commission's Recommendations and the Executive Budget proposals and urges the legislature to ensure that this is the year that New York Raises the Age!

The recommendations, plan and Article VII bill are all extremely comprehensive and multi-faceted. Below are the key components that CCC supports and urges the Legislature to ensure become law:

- Raise the age of juvenile jurisdiction to 18 by January 2018 (January 2017 it is raised to 17 and January 2018 it is raised to 18.)
- Ensure no youth ages 16 or 17 is placed in an adult facility like Rikers. Allow youth to remain in juvenile facilities until age 21. Allow new youth entering after December 2015 to be placed in OCFS facilities rather than DOCCS facilities. Develop residential facilities using best practices including creating new, smaller facilities consistent with the Missouri Model, expanding the August Aichorn RTF model for youth with mental health disorders, and create programs that meet the specialized needs of LGBT youth.
- Invest \$110 million in the SFY 2015-2016 for capital expenditures related to the cost of land acquisition, construction, reconstruction, rehabilitation and improvements, for new and existing capital projects and programs related to the raise the age initiative. All funds are to be used for expenditures related to raising the age without requiring a local investment (typically the local investment would be 50%).
- Raise the lower age of juvenile jurisdiction to 12, except for homicide cases which is raised to 10.
- Expand parental notification of arrest and other juvenile practices for questioning to 16 and 17 year olds.
- Establish a continuum of diversion services. Invest \$25 million in the SFY 2015-2016 budget too plan, create and expand services including diversion and probation services.
- Expand Family Court jurisdiction to include youth ages 16 and 17 charged with "non-violent" felonies, misdemeanors, and harassment or disorderly conduct violations. (Non-violent felonies excludes homicide offenses, Class A offenses, Juvenile Offender crimes, Violent Felony Offenses, sexually motivated felonies, crimes of terrorism, felony vehicular assaults, aggravated criminal contempt, and conspiracy to commit or tampering with a witness related to any of the above offenses.)
- Create a rebuttable presumption for violent felony offenses that are not JO crimes and subdivision two of 2nd degree robbery that these cases will be removed from criminal

court to Family Court unless the prosecutor demonstrates that criminal prosecution is in the interest of justice.

- Create new Youth Parts, with specially trained judges, in criminal court for processing cases against Juvenile Offenders and those 16 and 17 year olds who remain in criminal court. Clothe judges in the Youth Parts with concurrent criminal and Family Court jurisdiction to allow Youth Parts to handle cases under the Family Court Act when appropriate.
- Eliminate detention and placement in PINS cases.
- Reduce collateral consequences by expanding a new presumption to grant Youthful Offender status against offenders under age 21 with no previous felony finding, as well as expand the capacity to seal a JO conviction if the person remains conviction-free for 10 years.
- Allow those who could have had their records sealed based on the new law to apply to DCJS to obtain the seal.

YOUTH SERVICES

Youth service programs are critical to ensuring the success of the next generation of New Yorkers.

We were pleased to see that the Executive Budget increases funding for the Urban Youth Jobs Program. Funding for SFY 2015 through 2018 would be \$20 million annually for a program that provides tax credits to businesses that hire youth in areas with high levels of youth unemployment.

While this program is beneficial to youth, we would urge the Legislature to negotiate a budget that includes increased funding for the Summer Youth Employment Program (SYEP). The Executive Budget proposes to increase SYEP funding from \$27.5 million to \$30 million to address the January 2015 minimum wage increase, but the funding does not increase the number of youth who can participate. Each summer nearly 100,000 youth in NYC alone are unable to literally win the lottery to participate in SYEP. An additional state investment in SYEP would go a long way towards making SYEP more available to young people.

CCC was disappointed that the Executive Budget did not include any new commitment or funding for after-school programs. The funding that NYC received last year for its middle-school expansion was part of the Education Aid. Given that the Governor made the increase in Aid depending on passage of his education reform initiatives, the school district aid runs are not available. Thus, it is unknown whether the funding NYC needs for its second wave of after-school expansion is in the State Budget.

CCC urges the Legislature to negotiate a budget that adds \$178.5 million for after-school slots for 110,000 children statewide.

In addition, the Executive Budget fails to maintain the \$500,000 that the legislature added to Advantage After-School and the \$1.285 million the legislature added to the Youth Development Program. Thus, without restorations by the legislature, the State will be cutting after-school programs in SFY 2015-2016, rather than expanding them.

Finally, CCC is extremely disappointed that pursuant to the Executive Budget, state support for homeless youth would remain woefully inadequate. The Executive Budget once again failed to include the \$144,000 legislative add for runaway and homeless youth that was appropriated in last year's budget. We are further concerned about this cut because we believe funding for this population should be increased. Over the past 7 years, funding for homeless youth services has been cut by over 60 percent. Therefore, CCC is seeking a restoration of \$2.4 million to the budget for a total of \$4.7 million, which would return RHY funding to its 2008 level.

In 2008, according to the New York State Office of Children and Family Services, shelters documented 573 instances where young people were turned away for services because there were not enough beds. By 2012, the most recent year data was available, this number jumped to 5,041 instances.⁷ Without shelter beds, runaway and homeless youth must often sleep on the streets or in unsafe situations, which puts them at risk of poor mental and physical health, violence, sexual exploitation and/or human trafficking. For example, a study by Covenant House and Fordham University demonstrates the close relationship between sex trafficking and the need for housing, finding that among the runaway and homeless youth surveyed who reported engaging in commercial sex activity, 48% indicated that a lack of a safe place to sleep was a main reason for their initial entry into prostitution or other commercial sex.⁸

Runaway and homeless youth services not only provide a critical safety net, they enable vulnerable youth to be safely re-united with their families, divert hundreds of youth from costly placement through the courts, keep minors in school, and provide older homeless youth the opportunity to continue their education and achieve self-sufficiency.

Conclusion

In conclusion, while the Executive Budget takes a number of steps to improve the lives of New York's children, we believe that there is much more than can and should be done in the upcoming year to truly begin to address income inequality and the poor outcomes too many children face. OCFS and OTDA serve the most vulnerable children and families—low income, vulnerable children touched by poverty, public assistance, food stamps, child abuse and neglect, homelessness and violence. Now is the time to invest in the future of these children.

Thank you for the opportunity to testify.

⁷ State Senator Brad Hoylman, Letter to Governor Cuomo. January 16, 2015.

⁸ Homelessness, Survival Sex and Human Trafficking: As Experienced by the Youth of Covenant House New York, 2013, at page 6. Available at: <http://www.covenanthouse.org/sites/default/files/attachments/Covenant-House-trafficking-study.pdf>

