



***New York City Faces Human Services  
Fiscal Cliff in Wake of Covid-19 Relief Funding***

***FPWA Federal Funds Tracker—Fiscal Year 2021 Update***

***Andrew Perry, Senior Policy Analyst***

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## **Executive Summary**

The health, social, and economic damage caused by the Covid-19 pandemic prompted an unprecedented policy response at the federal level. Across a series of relief bills passed between March 2020 and March 2021, the federal government made substantial appropriations for new and existing programs to manage the public health crisis and its social and economic costs. Many of these programs are managed by New York City's human services agencies, the funding of which FPWA monitors through its Federal Funds Tracker (FFT). At the same time, a decline in federal funding to human services programs not included in relief bills points to significant risks to baseline federal funding as temporary emergency relief programs begin to expire.

Federal funding to human services agencies increased to **\$5.3 billion in fiscal year 2021, a 22.7 percent increase from the prior year**, after adjusting for inflation. Sizable pandemic federal emergency relief funding more than accounted for this historic spike.

This is the highest level of funding since fiscal year 2010, when the FFT began to track federal funding levels. While the Department of Health and Mental Hygiene's epidemiology program attracted the most federal Covid-19 relief dollars, funding extended beyond the public health sector. Emergency shelters received the second highest level of relief funding, and Medicaid, Section 8 Housing Choice Vouchers, Community Service Block Grants, and immunization programs also saw substantial pandemic-related increases in funding. Nevertheless, the City's human services agencies are facing a real downside risk. ***If these six abovementioned programs had not received Covid-19 relief funding and their federal funding had simply kept pace with inflation, total federal funding for New York City human services would have fallen 5.7 percent from fiscal year 2020.***

The City's largest human services grant, Temporary Assistance for Needy Families (TANF), faced the biggest loss in federal funding. TANF funding fell for the third consecutive year. Other significant funding cuts came to two programs administered by the Administration for Children's Services (ACS): the Child Care and Development Block Grant and Title IV-E Foster Care grants. ***These declines present an enormous risk to baseline federal funding for critical human services.*** As temporary emergency relief spending begins to expire in the coming years, these declines in baseline federal funding may become more acute. ***Without longer-term federal policy changes, this trend is likely to place greater strain on community-based programs, negatively affecting the millions of New Yorkers they support.***

This brief provides an update on federal human services funding in fiscal year 2021. Using fiscal data recently published by the New York City Comptroller and the New York City Mayor's Office of Management and Budget, our analysis provides an overview of funding trends for agencies and major grant programs at the citywide level. This brief also includes an analysis of four new City agencies with work related to human services that were added to the FFT in 2020.

## Introduction

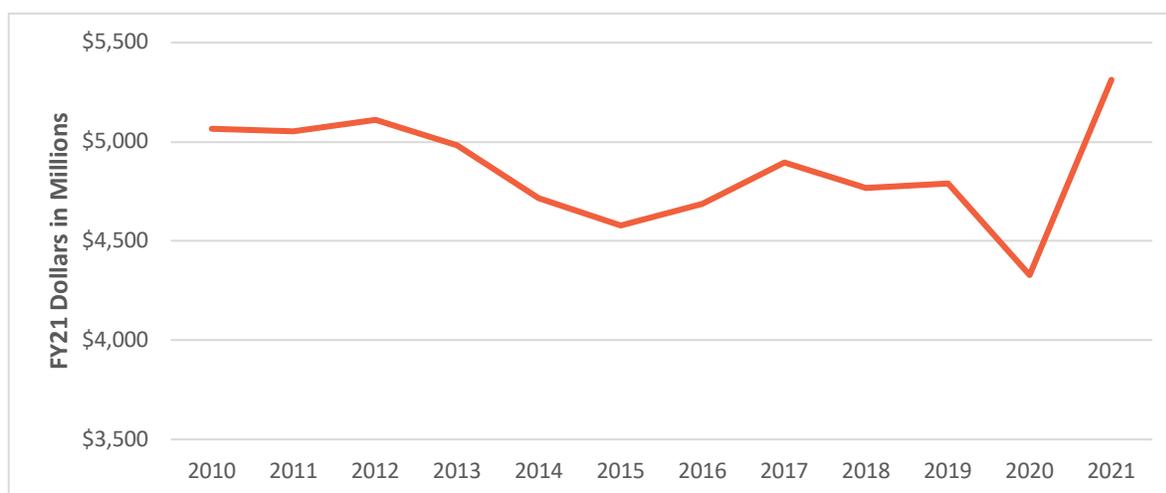
Launched in 2019, FPWA's Federal Funds Tracker (FFT) monitors federal funding to New York City's human services agencies. By providing comprehensive data on the flow of federal funding to the City over time, the FFT is a useful tool to analyze the impact of federal funding to New York City at a time of rapidly shifting and uncertain national politics and policymaking.

This brief uses recently published fiscal data to provide an annual update and overview of federal funding for New York City's human services agencies over fiscal year 2021.<sup>1</sup> The FFT initially tracked federal funding to four agencies: the Administration for Children's Services (ACS), the Department of Social Services (DSS), the Department of Youth and Community Development (DYCD), and the Department for the Aging (DFTA). In 2020, FPWA expanded the FFT's scope to include funding for the Department of Health and Mental Hygiene (DOHMH), the Department of Homeless Services (DHS), Housing Preservation and Development (HPD), and Small Business Services (SBS).

## Citywide Federal Funding in Fiscal Year 2021

The eight human services agencies tracked by the FFT received federal grants totaling \$5.3 billion during fiscal year 2021. This represents a 22.7 percent increase from \$4.3 billion in fiscal year 2020, and a 4.9 percent increase from \$5.1 billion in fiscal year 2010, after adjusting for inflation. Federal grants in fiscal year 2021 were the highest since 2010 (the beginning of the period monitored by the FFT) and followed a record low level of federal funding in fiscal year 2020 (see Figure 1).

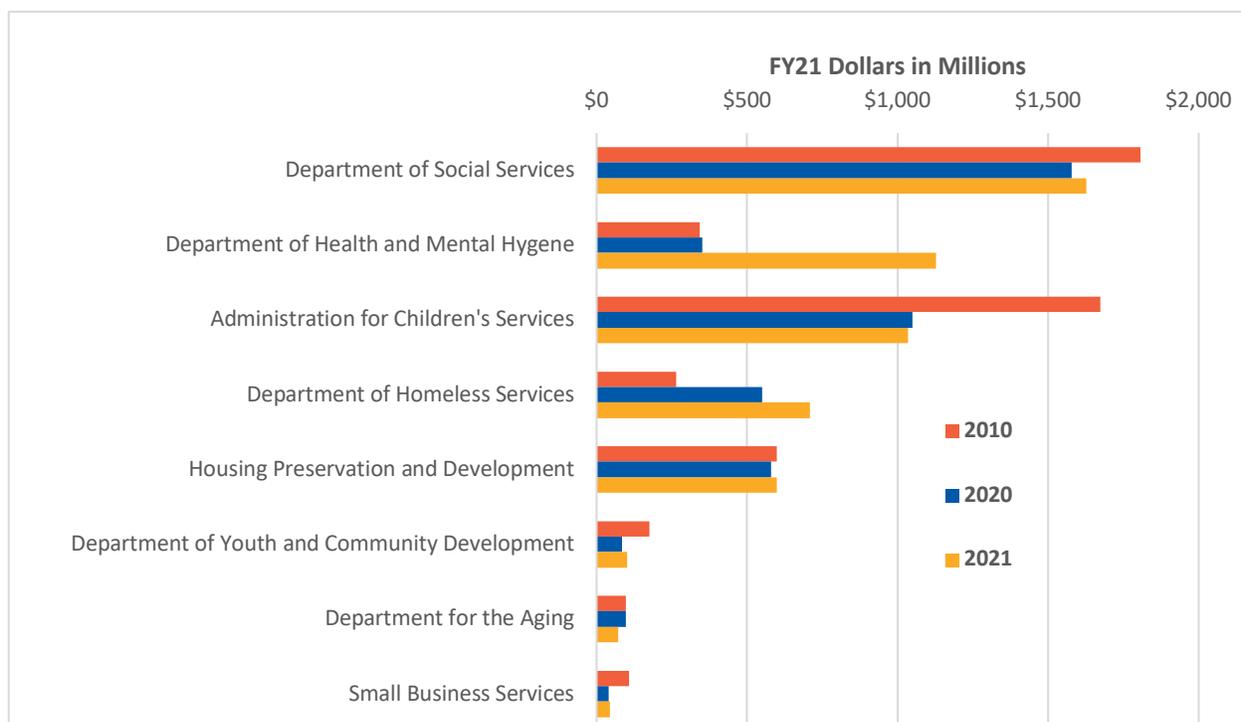
**Figure 1. Federal Funding for Human Services Agencies, Fiscal Years 2010 to 2021**



<sup>1</sup> The fiscal year used throughout this report refers to the New York City fiscal year, which extends from July 1 to June 30. Fiscal year 2021 ended June 30, 2021. The New York State fiscal year extends from April 1 through March 31, while the Federal Fiscal Year runs from October 1 to September 30; these fiscal years will be explicitly noted where used.

In fiscal year 2021, DSS remained New York City's largest recipient of federal human services funding, with grants totaling \$1.6 billion, a 3.1 percent increase from the prior year, after adjusting for inflation, and nearly one-third (30.6 percent) of the City's total federal human services funding. DOHMH was the second largest recipient of federal human services funding, as Covid-19 relief more than tripled the agency's federal funding to \$1.1 billion. Importantly, two city agencies tracked by the FFT saw a decline in federal funding in fiscal year 2021: ACS and DFTA (see Figure 2).

**Figure 2. Total Federal Funding by Agency, Fiscal Years 2010, 2020, and 2021**



### **Emergency Covid-19 Relief Lifts Federal Funding**

Fiscal year 2021's spike in federal funding for human services agencies is the result of federal emergency relief legislation passed in the wake of the Covid-19 pandemic. A series of federal relief bills, including the Families First Coronavirus Response Act and Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in March 2020, the Consolidated Appropriations Act for 2021 (CAA), which passed in December 2020, and the American Rescue Plan Act (ARP) signed into law in March 2021, appropriated extraordinary sums for a wide range of new and existing programs, including many administered by local human services agencies.

While Covid-19 relief programs span New York City's human services agencies, DOHMH was the single largest beneficiary. Grants to bolster epidemiological capacity drove the agency's budget from \$351.9 million in fiscal year 2020 to \$1.1 billion in fiscal year 2021,

after adjusting for inflation. DHS similarly received a major infusion of federal Covid-19 relief, primarily as part of the CARES Act's funding for emergency shelter capacity.

These agency funding increases were largely driven by two federal grant programs. The first, Epidemiology and Laboratory Capacity for Infectious Diseases, allocated \$856.5 million to DOHMH, up from \$70.7 million in fiscal year 2020. The program's fiscal year 2020 level was already elevated by early Covid-19 relief funding: Pre-pandemic funding for the program averaged about \$600,000. The fiscal year 2021 infusion of funds made this grant the second largest across all human services agencies after TANF, a federal program providing cash and other assistance to low-income families (see Figure 3).

The second largest federal Covid-19 relief grant was the Emergency Shelter Grants Program. While the program, which funds emergency shelters, homelessness prevention, and other services, existed prior to Covid-19, its pre-pandemic baseline averaged about \$11.2 million. The CARES Act appropriated \$4 billion for the program nationally and updated HUD funding formulas to better target municipalities with relatively larger homeless populations, increasing New York City's allocation.<sup>i</sup> While three City agencies administer shelter programs, DHS received virtually all (99.7 percent) of the City's \$230.8 million federal funding for the program fiscal year 2021. Together with DOHMH's epidemiology grants, these two programs received the largest sums of federal human services Covid-19 relief funding and more than accounted for the total increase in total federal human services funding in fiscal year 2021.

Federal legislation for Covid-19 relief also drove substantial funding increases for four additional human services grant programs. Immunization Cooperative Agreements, which support DOHMH's vaccine program, Community Service Block Grants, which provides flexible funding administered by DYCD, Medicaid, a means-tested health insurance program hosted by multiple agencies, and Section 8 Housing Choice Vouchers saw their funding increase by 222.0 percent, 127.3 percent, 55.1 percent, and 7.6 percent, respectively, in fiscal year 2021, after adjusting for inflation. It is crucial to note that ***without Covid-19 relief funding for these six programs, total federal grants these to human services agencies would have fallen by 5.7 percent from last year***, after adjusting for inflation.<sup>2</sup>

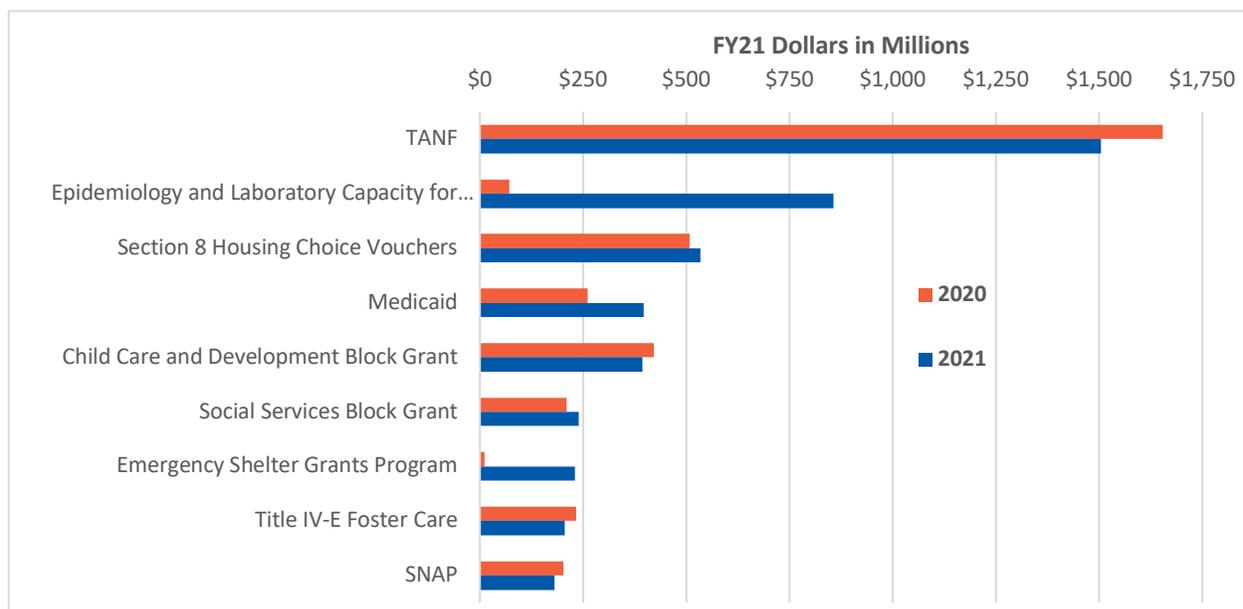
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<sup>2</sup> The six grants administered by the New York City human services agencies that received the most Covid-19 relief funding in fiscal year 2021 were Epidemiology and Laboratory Capacity for Infectious Diseases, Emergency Shelter Grants Program, Immunization Cooperative Agreements, Section 8 Housing Choice Vouchers, Community Service Block Grants, and Medicaid. This estimate presents a counterfactual in which funding for these programs remained constant between fiscal years 2020 and 2021 after adjusting for inflation.

### Sharp Cuts and Continued Risks to Baseline Federal Funding

Federal Covid-19 relief was vital in affording local agencies the resources to respond to the public health crisis and to support individuals and families most affected by the pandemic, including the unhoused community and households with low incomes. **Nevertheless, the decline in non-Covid-19 spending highlights risks to baseline federal funding as emergency relief funding begins to expire.**

**Figure 3. Citywide Top Federal Grant Programs, Fiscal Years 2020 and 2021**



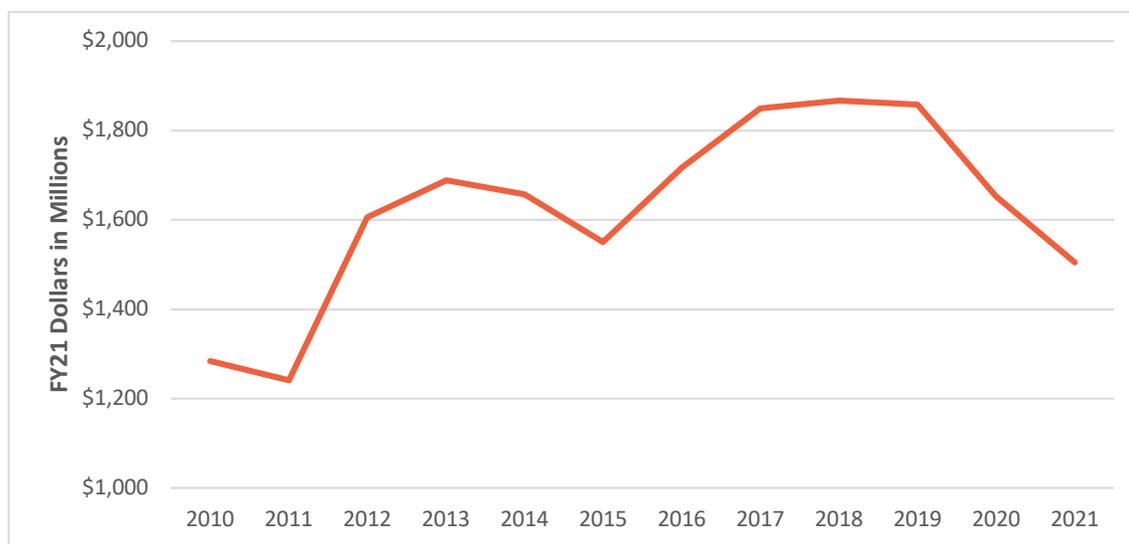
While TANF is usually the largest federal grant to New York City human services agencies, federal TANF funding to New York City fell in fiscal year 2021 for the third consecutive year. In fiscal year 2021, City agencies received \$1.65 billion in TANF funding, down 9.0 percent from the prior year, and down 19.4 percent from a high of \$1.89 billion in fiscal year 2018, after adjusting for inflation. **This represents the lowest level of federal funding for TANF since fiscal year 2011** (see Figure 4).

While six agencies administer TANF programs, DSS is home to the largest, accounting for about 60 percent of the City's federal TANF funding. DSS's federal grants for the program fell 7.1 percent from fiscal year 2020. Further, federally backed TANF programs at DYCD and DOHMH ended in fiscal year 2021. Other agencies' programs have not filled in the gaps; the only agency with a growth in TANF funding was ACS with a modest uptick of 3.9 percent from fiscal year 2020.

A \$1 billion appropriation for non-recurring TANF programming included in the American Rescue Plan may lift local TANF funding in fiscal year 2022, depending on how New York State opts to use the funding.<sup>ii</sup> Nevertheless, it is unlikely that these potential added funds

will alter the federal program's recent downward trend—TANF funding is both failing to keep pace with inflation and allocated using a formula that may underfund New York City. As such, ***the continued erosion of New York City's largest federal human services funding source is likely to negatively affect low-income New Yorkers for years to come, barring changes to the program at the federal level.***

**Figure 4. Federal Funding for Citywide TANF Programs, Fiscal Years 2010 to 2021**



Much of the economic dislocation and disruption caused by the Covid-19 pandemic are likely to outlast federal relief funding, especially in hard-hit New York City. While the U.S. unemployment rate was 3.7 percent in December 2021 (the most recent available data), New York City's unemployment stood at 7.9 percent.<sup>iii</sup> ***New York's slower economic recovery, largely a result of its high concentration of disproportionately affected service sector jobs, will place continued strain on its social services.*** A recent report from the New York State Comptroller highlights Covid-19's increase in Medicaid enrollment and fiscal risks to the State and municipalities as elevated Medicaid enrollment persists past the expiration of enhanced federal funding.<sup>iv</sup> Without policy changes at the federal level, both the City and State may be increasingly liable for providing basic human services during an uneven economic recovery.

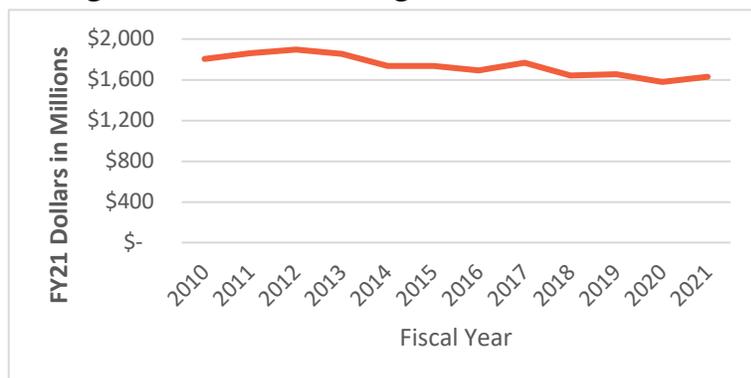
### ***Federal Human Services Funding at the Agency Level***

The remainder of this report will provide an update on fiscal year 2021 federal funding to the eight human services agencies monitored by the FFT: the Department of Social Services (DSS), Administration for Children's Services (ACS), Housing Preservation and Development (HPD), Department of Homeless Services (DHS), Department of Health and Mental Hygiene (DOHMH), Department for the Aging (DFTA), Department of Youth and Community Development (DYCD), and Small Business Services (SBS).

The update includes an overview of total federal funding to each agency from fiscal year 2010 to 2021, a breakdown of each agency's top federal grants, the share of agency funding supported by the federal, State, City governments, and funding for agencies' program areas. It is important to note that the first two data series—topline federal funding and program grants—reflect actual spending in the preceding fiscal year, or budget actuals, as reported by the New York City Comptroller.<sup>v</sup> The latter two data points—funding sources and funding program area—are only available as part of the New York City Financial Plan. These figures represent the modified budget, or the City's budget estimates at end of the preceding fiscal year.<sup>vi</sup> While the two data sources do not perfectly reconcile with each other, they each provide a distinct, valuable, and timely look at the federal funding flowing to New York City in fiscal year 2021.

## Department of Social Services

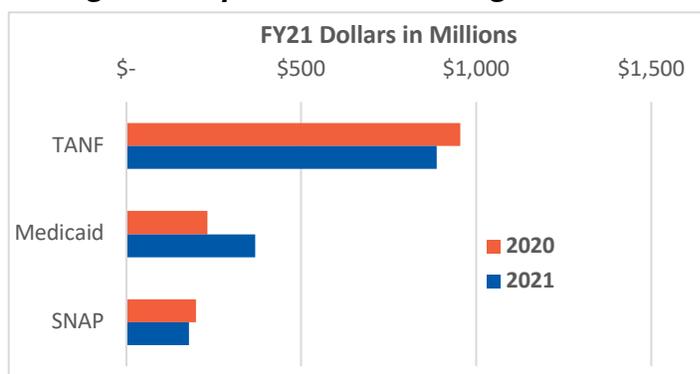
**DSS Figure 1. Federal Funding, Fiscal Years 2010 to 2021**



Total federal funding for the Department of Social Services (DSS) in fiscal year 2021 was 10.1 percent lower than fiscal year 2010 funding, after adjusting for inflation. Covid-19 relief funding, largely to Medicaid, pushed DSS's federal funding up 3.0 percent, representing an uptick from fiscal

year 2020. Despite this, near-continual erosion of federal funding over preceding years left agency funding near decadelong lows

**DSS Figure 2. Top Federal Grant Programs, Fiscal Years 2020 and 2021**

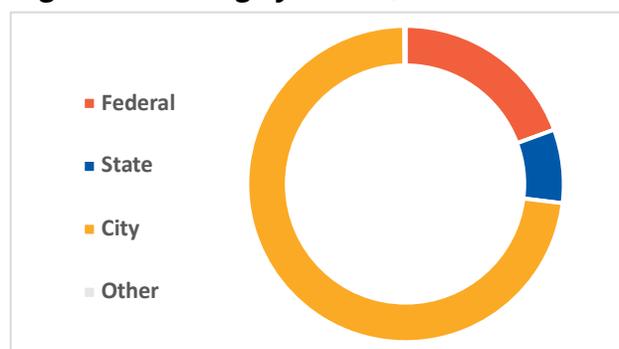


Temporary Assistance for Needy Families (TANF), a cash assistance program, remains DSS's largest recipient of federal funds. Funding to the program fell 7.1 percent from fiscal year 2020 to 2021, after adjusting for inflation. Following increases in federal matching funds for Medicaid approved in both the

CARES and ARP Acts, Medicaid funding rose 59.3 percent. Funding for the Supplemental Nutrition Assistance Program (SNAP) fell 10.7 percent.<sup>3</sup>

**DSS Figure 3. Funding by Source, Fiscal Year 2021**

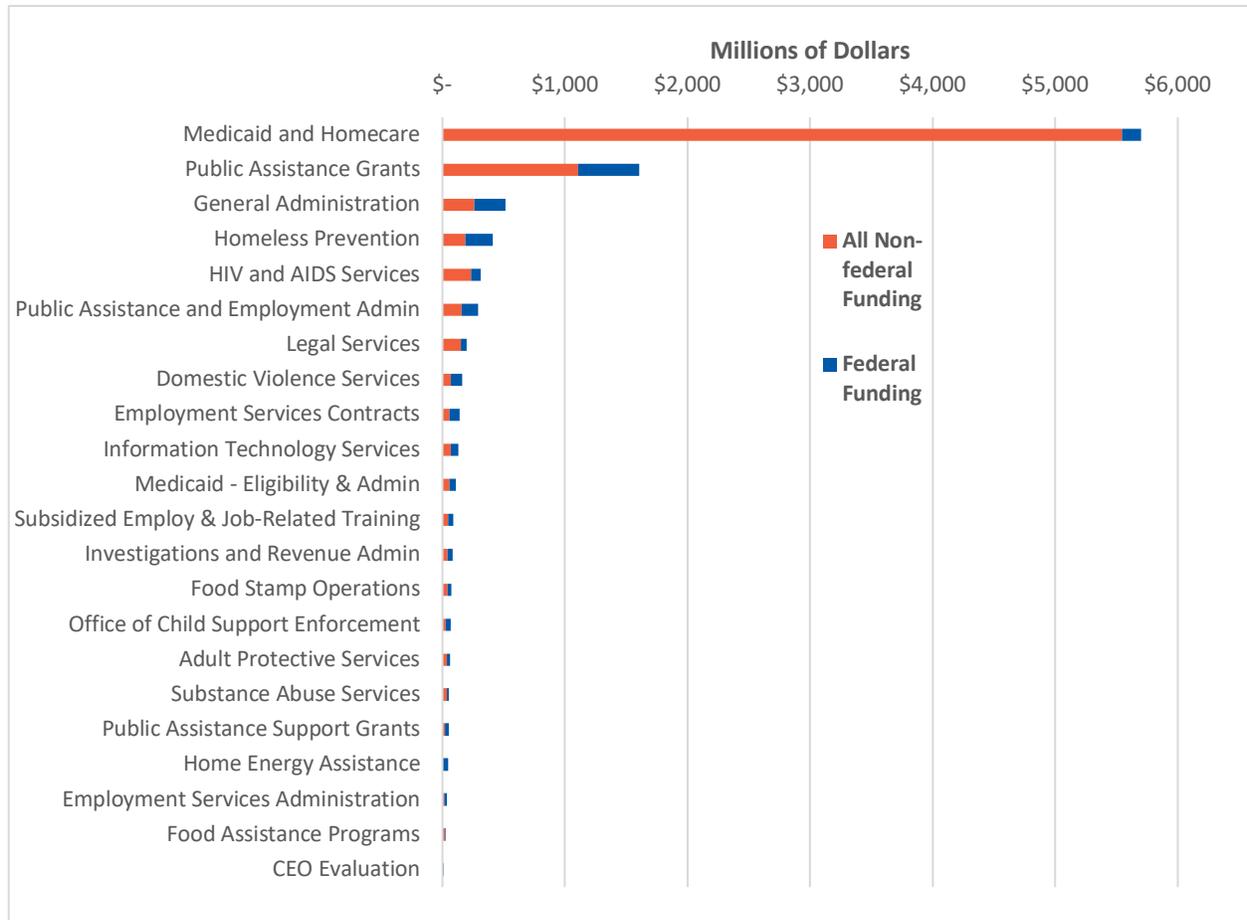
New York City will provide 72.9 percent of DSS's funding in fiscal year 2022. Federal funding made up 19.4 percent of DSS funding. These shares have remained stable over recent years.



<sup>3</sup> While SNAP received supplemental appropriations from the Families First, CARES, and ARP Acts, the SNAP programs administered by City agencies include SNAP administration and the Employment and Training program. Federal supplements to SNAP monthly payments have not affected funding for those programs.

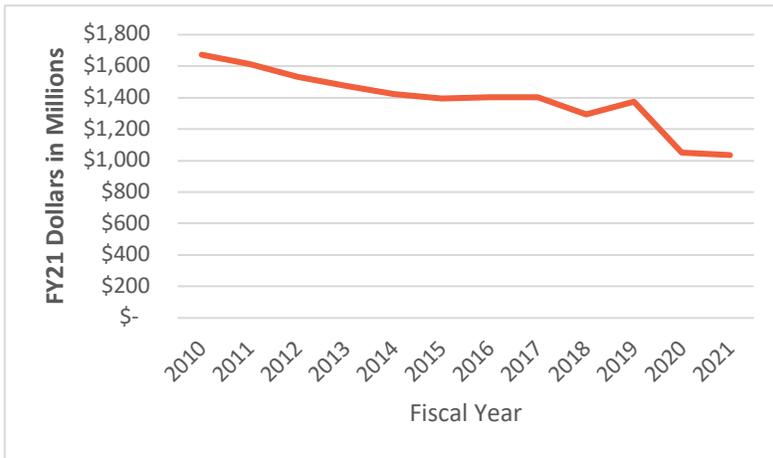
Medicaid is by far DSS's largest program area, yet federal funding accounts for a very small portion. (Federal support for DSS's Medicaid program also flows to other program areas, including General Administration and Medicaid Administration). Public Assistance Grants receives the most federal funding, \$497.0 million, as DSS's largest TANF-granting program area. Employment Services and Domestic Violence Services both receive more than half of their funding from federal grants—61.3 percent and 56.0 percent, respectively.

**DSS Figure 4. Federal Funding by Program Area, Fiscal Year 2021**



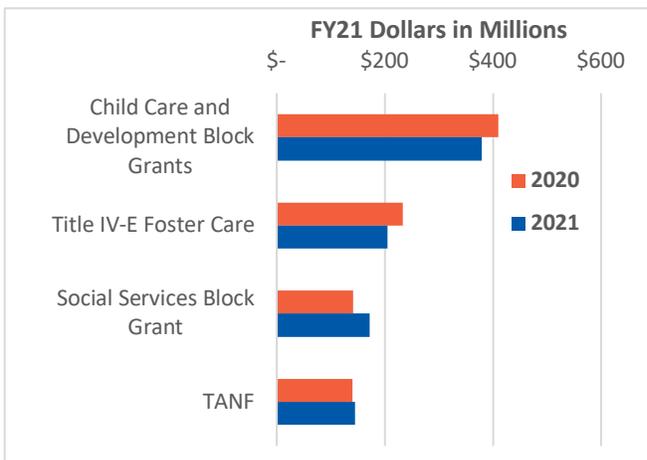
## Administration for Children's Services

**ACS Figure 1. Federal Funding, Fiscal Years 2010 to 2021**



Federal funding for the Administration for Children's Services (ACS) ticked 1.4 percent lower from fiscal year 2020, after adjusting for inflation. This decrease follows a nearly decadelong decrease in ACS funding, which is now 38.1 percent lower than its fiscal year 2010 level.

**ACS Figure 2. Top Federal Grant Programs, Fiscal Years 2020 and 2021**

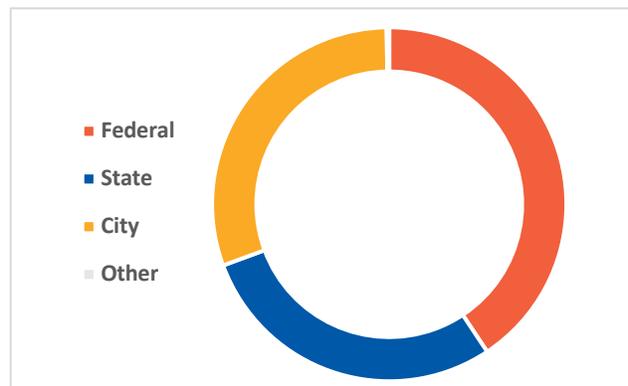


ACS's largest federal grant program, Child Care and Development Block Grants (CCDBG), which provide subsidized child care for low-income families, fell 7.3 percent from the prior fiscal year, while the second largest, funding for foster care, fell 12.2 percent. Social Services Block Grants, which provide flexible funding for a range of social services, rose 21.6 percent from the prior fiscal year, an unusual jump for the typically

stable funding stream that did not benefit from Covid-19 stimulus legislation. Most of this funding is budgeted for the agency's preventive services program area.

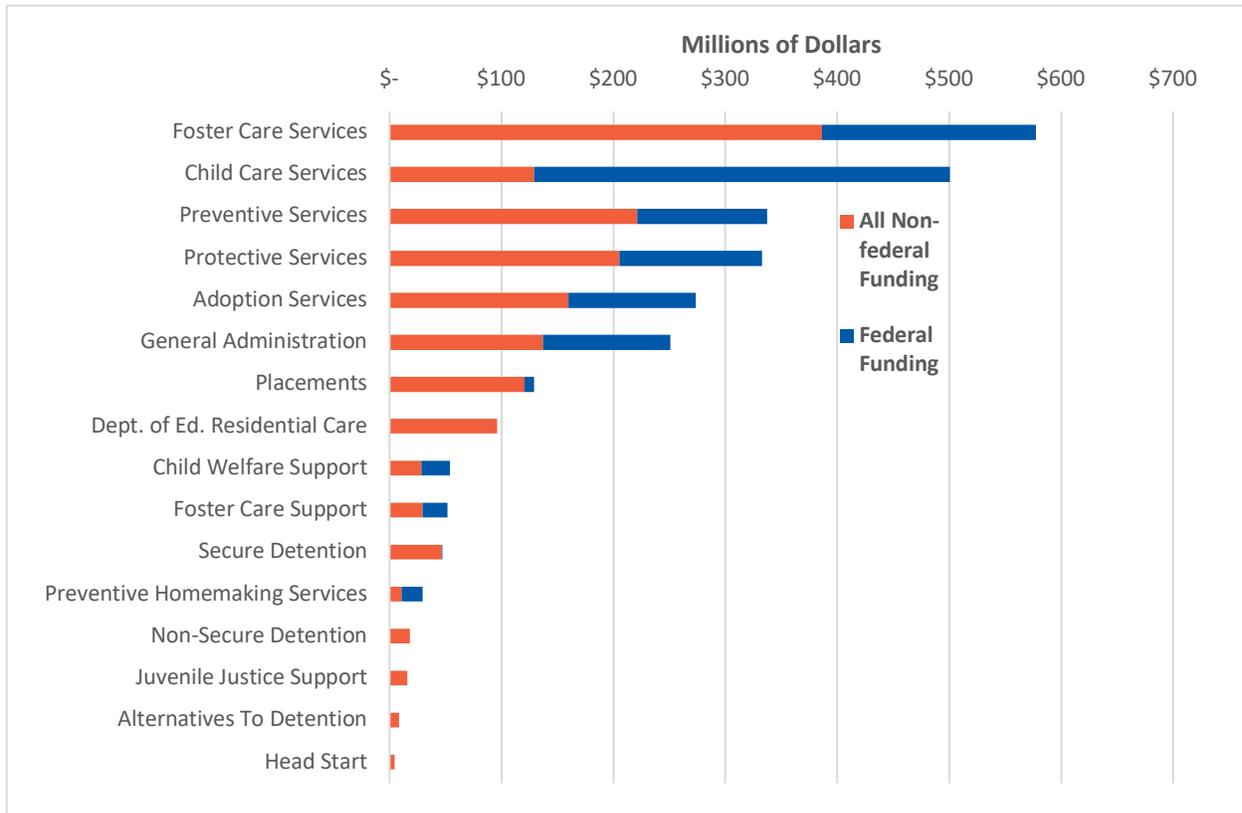
**ACS Figure 3. Funding by Source, Fiscal Year 2021**

On par with recent years, federal funding comprised the largest share of ACS funding in fiscal year 2021—40.7 percent—while the City and State contributed approximately equivalent shares of 30.4 and 28.7 percent, respectively.



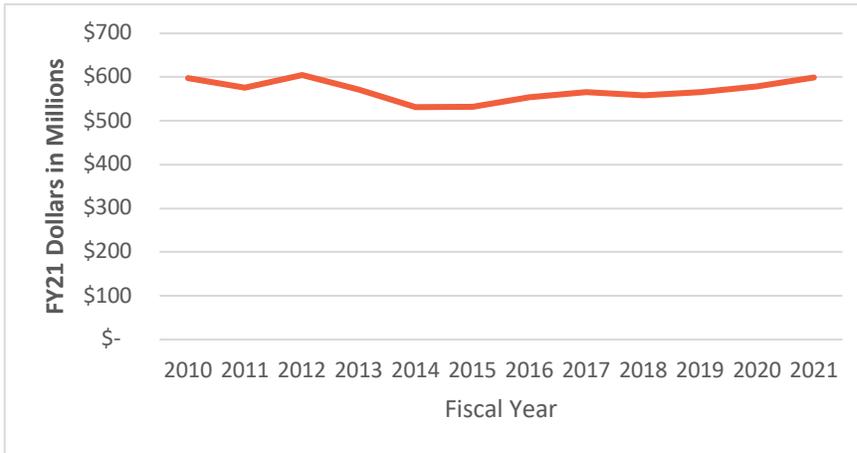
ACS's two largest program areas—foster care services and child care services—each account for approximately one-fifth of the agency's total budget. While federal funding makes up just one-third (33.1 percent) of all funding for foster care, it accounts for nearly three-fourths (74.2 percent) of child care funding. The child care program, which provides a range of subsidized child care programming primarily for low-income families, received \$371.6 million of federal funding in fiscal year 2021, one-third of the agency's total federal funding.

**ACS Figure 4. Federal Funding by Program Area, Fiscal Year 2021**



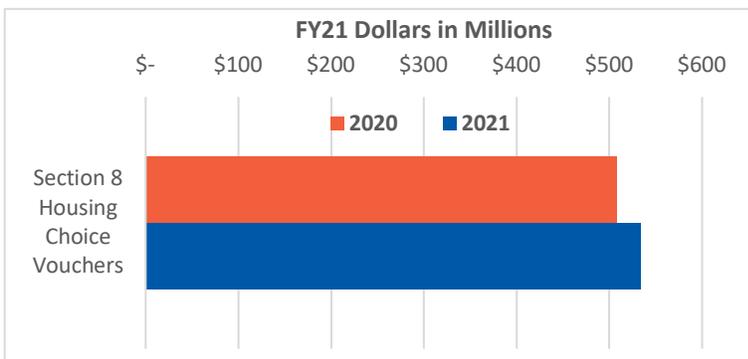
## Housing Preservation and Development

**HPD Figure 1. Federal Funding, Fiscal Years 2010 to 2021**



Federal funding for Housing Preservation and Development (HPD) in fiscal year 2021 rose 3.5 percent in fiscal year 2021. The agency's \$599 million is its highest funding level since fiscal year 2012, after adjusting for inflation.

**HPD Figure 2. Top Federal Grant Programs, Fiscal Years 2020 and 2021**

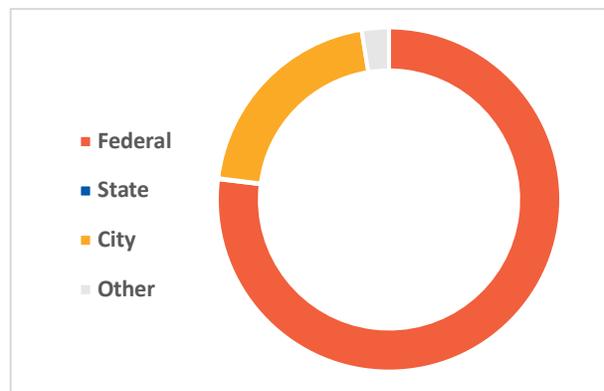


Section 8 Housing Choice Vouchers, which provide rental assistance to low-income households, account for the vast majority of HPD's federal funds—89.2 percent. Funding for this program rose 5.2 percent in fiscal year 2021, due in part to appropriations made as part of

the CARES Act.

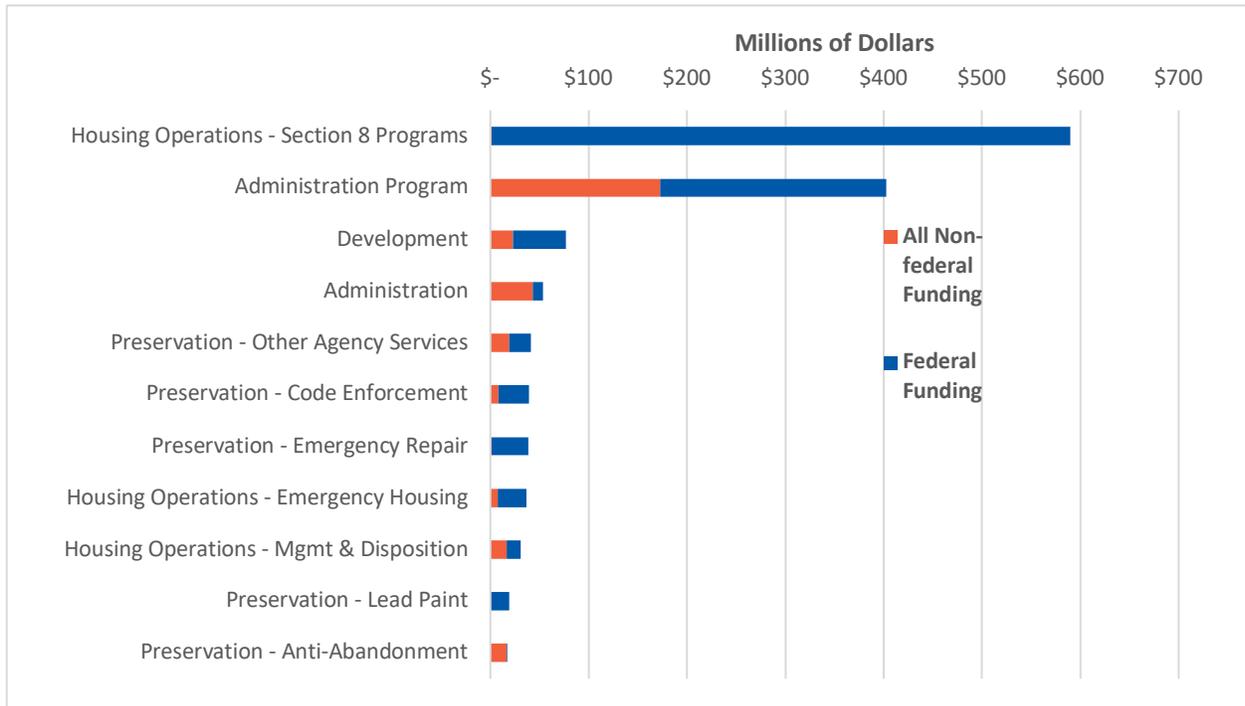
**HPD Figure 3. Funding by Source, Fiscal Year 2021**

Federal funding made up 76.9 percent of HPD funding in fiscal year 2021. While this is higher than the federal shares in the last two fiscal years, prior to fiscal year 2019, the federal government typically contributed no less than 85 percent of the budget. Increasing City funding over the last three fiscal years has driven up the agency's total budget and the City's share of its funding.



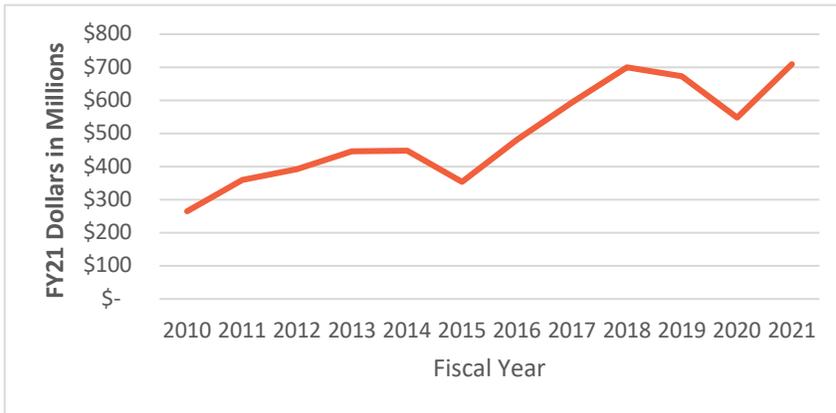
Housing Operations—Section 8 Programs, which administers HPD’s Housing Choice Vouchers, was both the agency’s largest program area and its largest recipient of federal funding. The federal government contributed 99.7 percent of the program area’s total funding. The federal government contributed 99.7 percent of the program area’s total funding—more than half of the agency’s total federal funding. Federal funding accounted for 57.1 percent of the Administration Program, HPD’s second largest program area, which includes agency functions that are not directly service related.

**HPD Figure 4. Federal Funding by Program Area, Fiscal Year 2021**



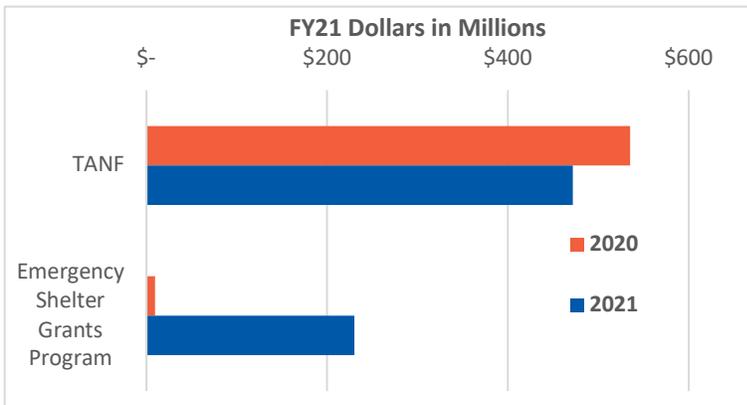
## Department of Homeless Services

**DHS Figure 1. Federal Funding, Fiscal Years 2010 to 2021**



The Department of Homeless Services (DHS) saw its highest level of federal funding in fiscal year 2021. The agency’s receipt of \$710 million was 29.3 percent higher than fiscal year 2020, and well over double 2010 levels, after adjusting for inflation.

**DHS Figure 2. Top Federal Grant Programs, Fiscal Years 2020 and 2021**

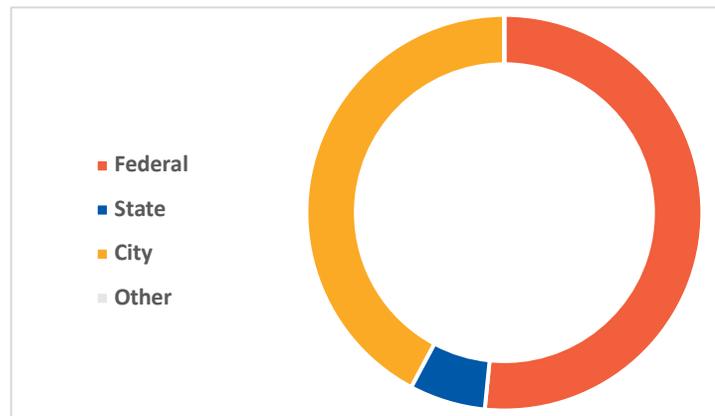


DHS hosts the City’s second largest TANF program after DSS. Like federal funding for TANF citywide, funding for DHS’s program fell in fiscal year 2021. The program took in \$471.6 million, 11.8 percent less than the prior year, after adjusting for inflation. By contrast, DHS’s second largest source of federal

funding expanded dramatically in fiscal year 2021. The CARES Act enhanced Emergency Shelter Grants Program received \$230.2 million in federal funding in fiscal year 2021, nearly twenty-four times its 2020 levels, the biggest change for any human services grant funding across the City.

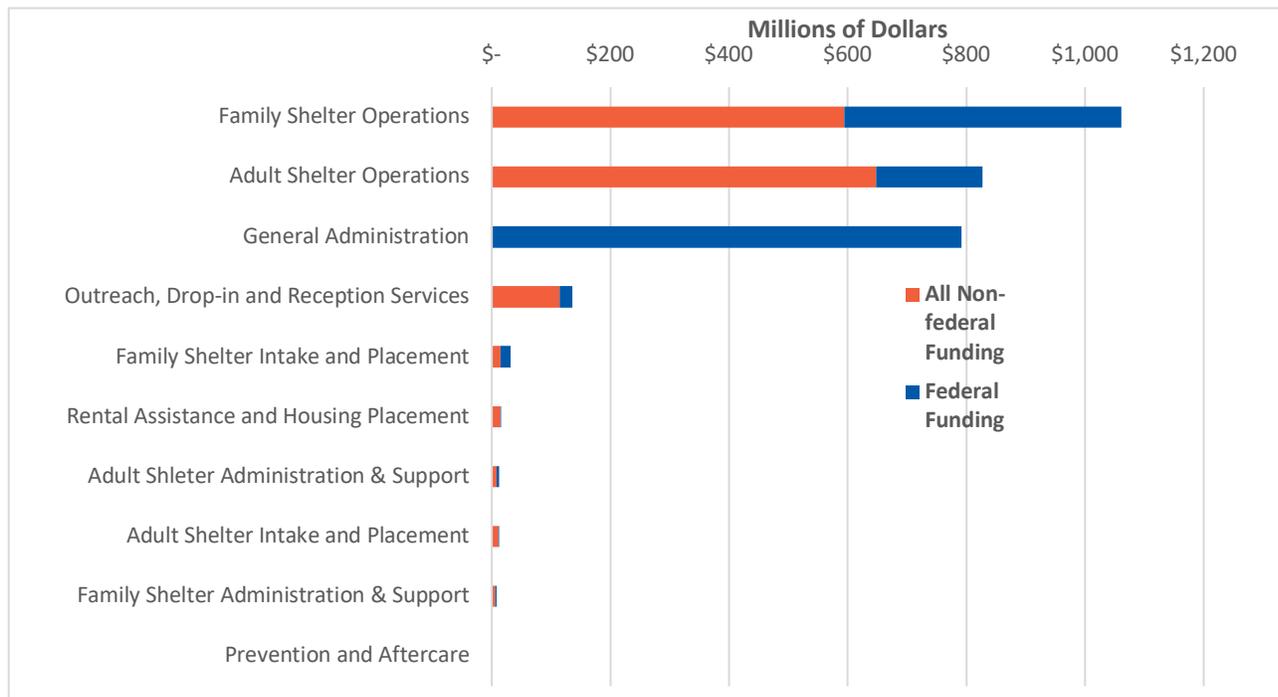
**DHS Figure 3. Funding by Source, Fiscal Year 2021**

The extraordinary influx of federal funding to the Emergency Shelter Grants Program drove the federal government’s share of DHS’s budget to 51.6 percent in fiscal year 2021. This is in sharp contrast to recent years, in which federal funding has averaged about 30 percent of the agency’s budget.



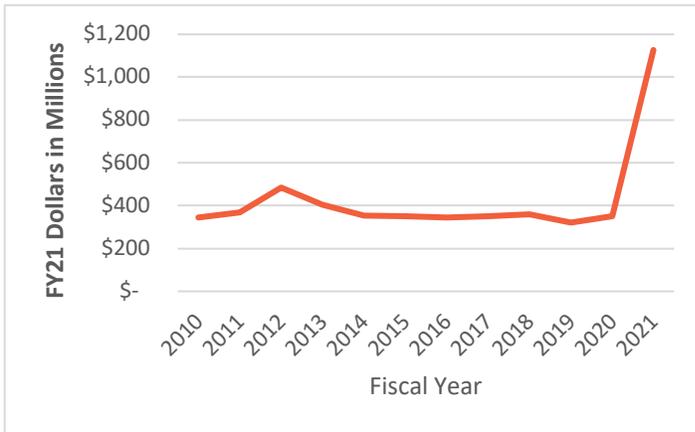
Family Shelter Operations was DHS’s largest program area, accounting for 36.8 percent of the agency’s budget. Because of Covid-19-related spending elsewhere in the budget, this is relatively lower than prior years; Family Shelter Operations typically account for about half of the agency’s budget. In fiscal year 2021, a significant portion of emergency federal aid fell under the agency’s General Administration, which has seen a dramatic increase from its typical pre-Covid-19 baseline of less than \$100 million, fueled entirely by federal funding. Federal relief bills commonly provide funding for agencies to bolster administrative capacity during emergencies, and agencies often budget new funding streams under a catch-all program area, in this case General Administration.

**DHS Figure 4. Federal Funding by Program Area, Fiscal Year 2021**



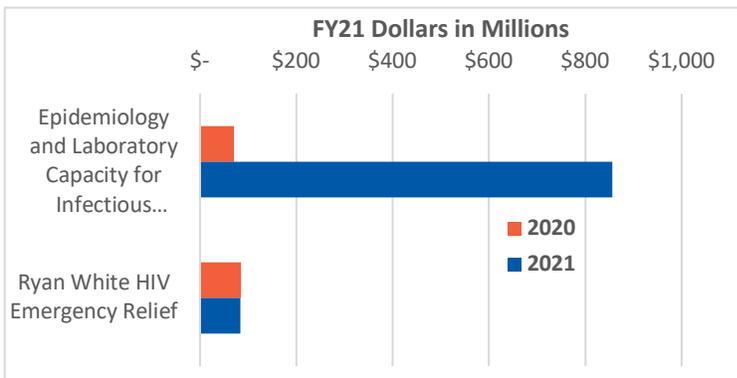
## Department of Health and Mental Hygiene

**DOHMH Figure 1. Federal Funding, Fiscal Years 2010 to 2021**



Prior to Covid-19, federal funding for the Department of Health and Mental Hygiene (DOHMH) had been remarkably consistent, averaging \$347.9 million between fiscal years 2014 and 2020, after adjusting for inflation. In fiscal year 2021, Covid-19-related emergency spending more than tripled the agency’s federal funding to \$1.1 billion.

**DOHMH Figure 2. Top Federal grant programs, Fiscal Years 2020 and 2021**

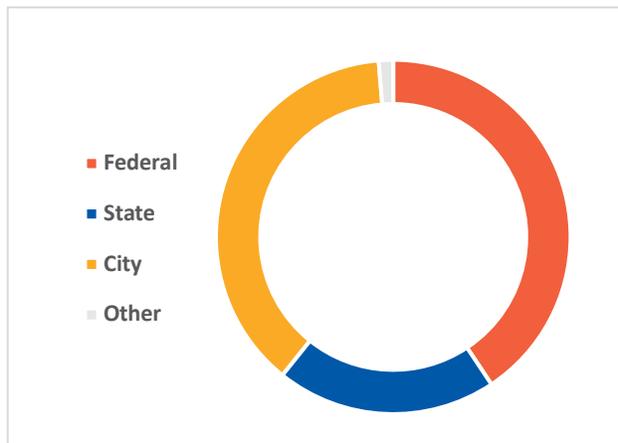


DOHMH’s extraordinary increase in federal funding can be accounted for by a massive influx to one grant program: Epidemiology and Laboratory Capacity for Infectious Diseases. The CDC-administered program funds state and local health departments across the country to

monitor, respond to, and prevent infectious diseases. DOHMH’s \$56.5 million for the program in fiscal year 2021 is twelve times its prior year level. The agency’s largest federal grant in fiscal year 2020 was the Ryan White HIV Emergency Relief, which saw its funding fall 1.5 percent, after adjusting for inflation.

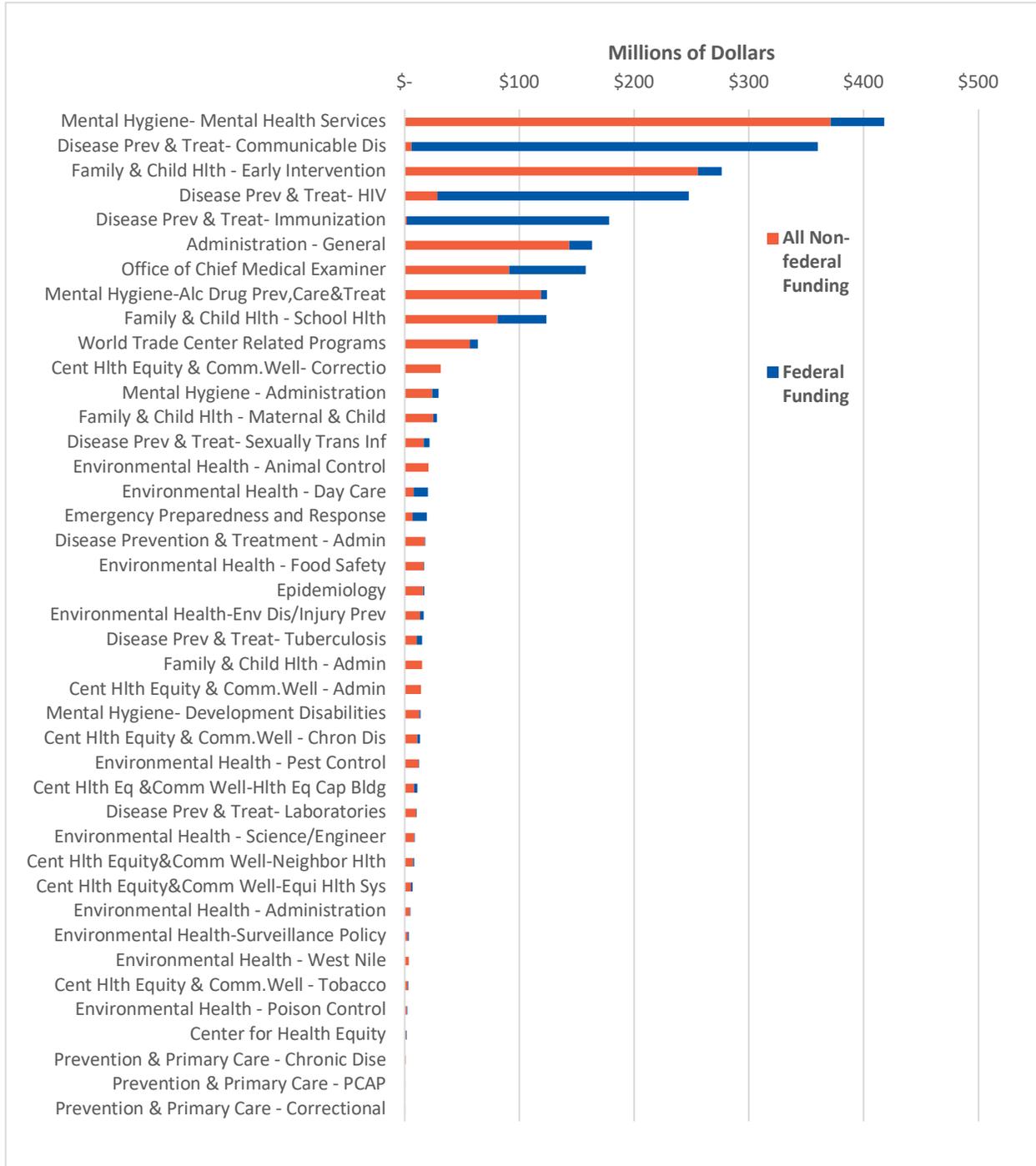
**DOHMH Figure 3. Funding by Source, Fiscal Year 2021**

Federal emergency funding drove its share of DOHMH’s total budget to 40.6 percent—double its share in a typical year. Federal funding complemented—rather than crowded out—City and State funding, resulting in a 34.4 percent increase in DOHMH’s total budget to respond to the Covid-19 pandemic.



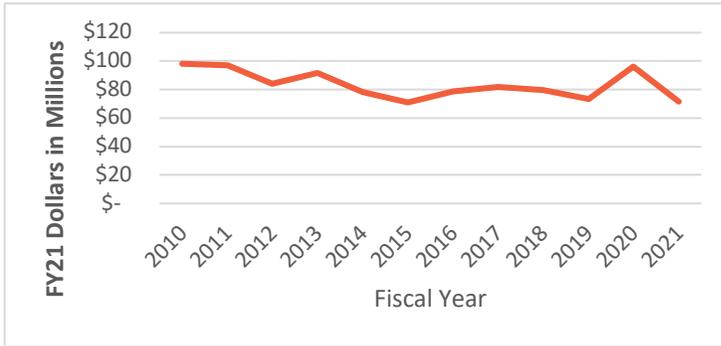
Three program areas account for three-quarters of all DOHMH's federal funding in fiscal year 2021. Prevention and Treatment of Communicable Disease received \$353.8 million, nearly all of the program area's total budget. Prevention and Treatment of HIV received \$219.0 million, and Immunization received \$176.2 million.

**DOHMH Figure 4. Federal Funding by Program Area, Fiscal Year 2021**



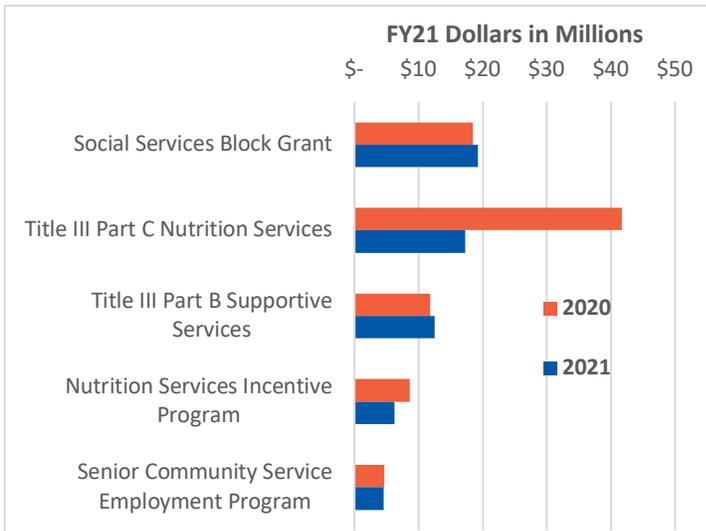
## Department for the Aging

**DFTA Figure 1. Federal Funding, Fiscal Years 2010 to 2021**



Federal funding for the Department for the Aging (DFTA) fell 25.7 percent in fiscal year 2021 to 71.4 million. This is the lowest level since fiscal year 2015, after adjusting for inflation, and 27.3 percent below 2010 levels.

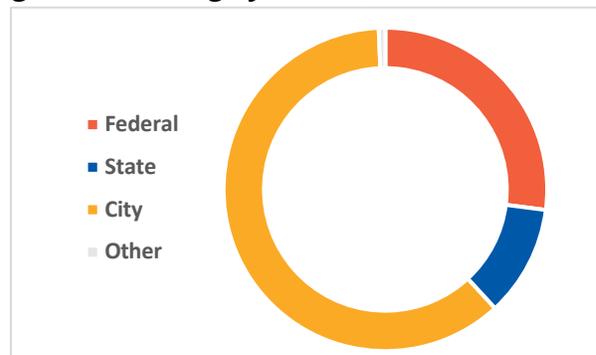
**DFTA Figure 2. Top Federal Grant Programs, Fiscal Years 2020 and 2021**



Five federal grant programs account for more than 80 percent of DFTA's total federal funding. Of these, Nutrition Services for older adults changed the most from fiscal year 2020, falling 58.6 percent. The uptick in fiscal year 2021 was the result of appropriations made by the Families First Coronavirus Response Act and the CARES Act.<sup>vii</sup> The grant's funding returned to its pre-pandemic baseline in fiscal year 2021.

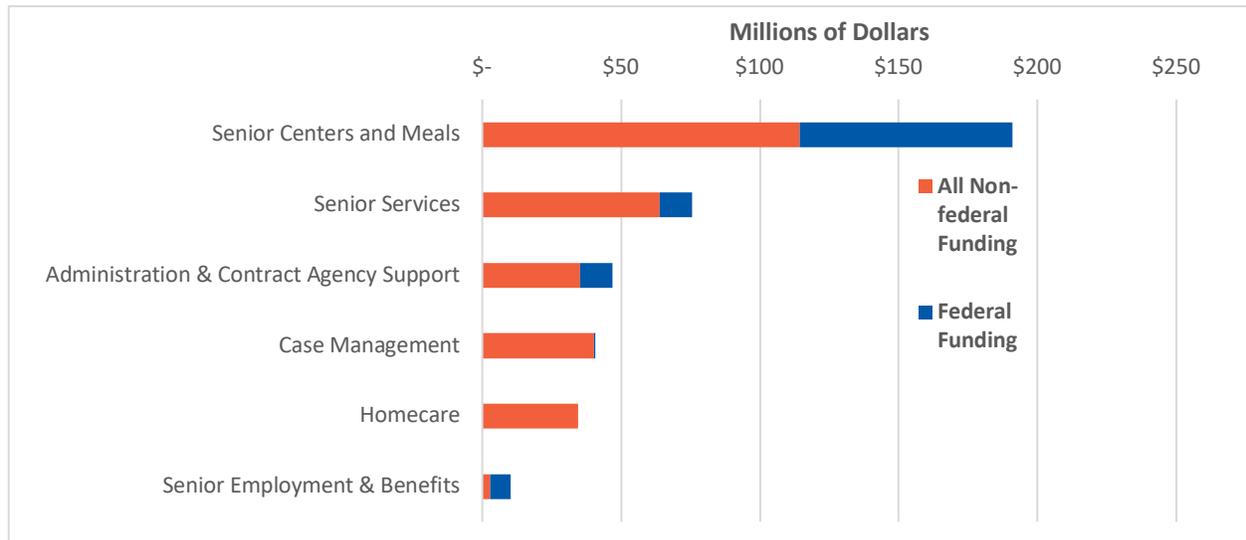
**DFTA Figure 3. Funding by source, Fiscal Year 2021**

Federal funding accounted for 27.0 percent of DFTA funding in fiscal year 2021, a slightly greater share than past years. State funding remained consistent, while City funding edged down from pre-Covid-19 levels.



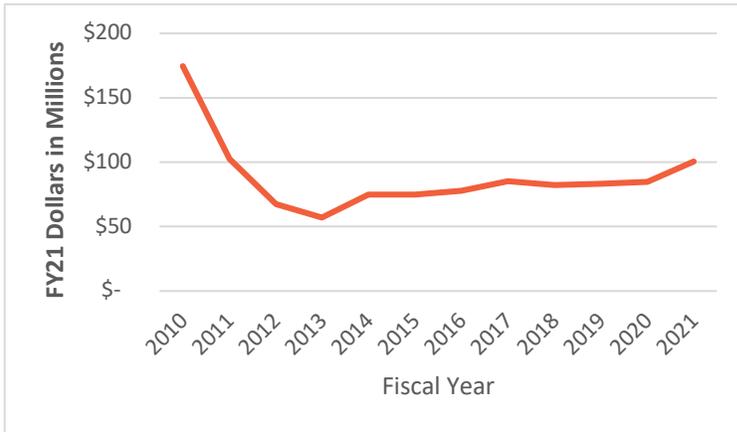
DFTA's Senior Centers and Meals program area, which includes the Nutrition Services grant, accounts for nearly three-quarters of the agency's total federal funding. Federal funding made up 40.1 percent of the program area's total fiscal year 2021 budget. The remaining federal funds largely supported the agency's second and third largest program areas: Senior Services, which provide a range of contracted services, and Agency Administration.

**DFTA Figure 4. Federal Funding by Program Area, Fiscal Year 2021**



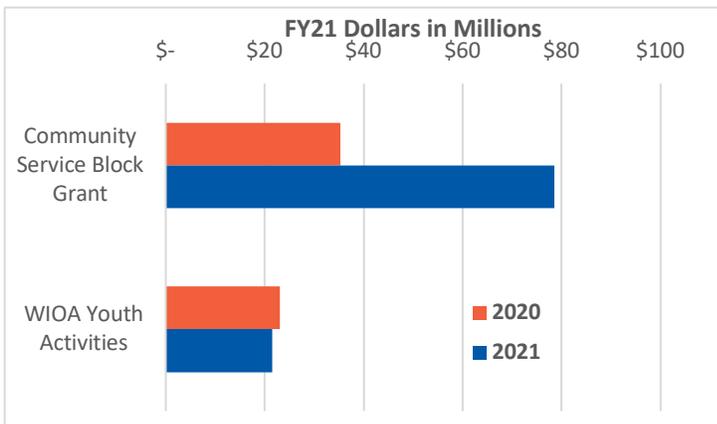
## Department of Youth and Community Development

**DYCD Figure 1. Federal Funding, Fiscal Years 2010 to 2021**



Federal funding for the Department of Youth and Community Development (DYCD) rose 19.0 percent in fiscal year 2021, to \$100.8 million. This is the highest level of federal funding since fiscal year 2011, after adjusting for inflation, though significantly below the FFT's fiscal year 2010 baseline, when federal funding reached \$174.6 million.

**DYCD Figure 2. Top Federal grant programs, Fiscal Years 2020 and 2021**

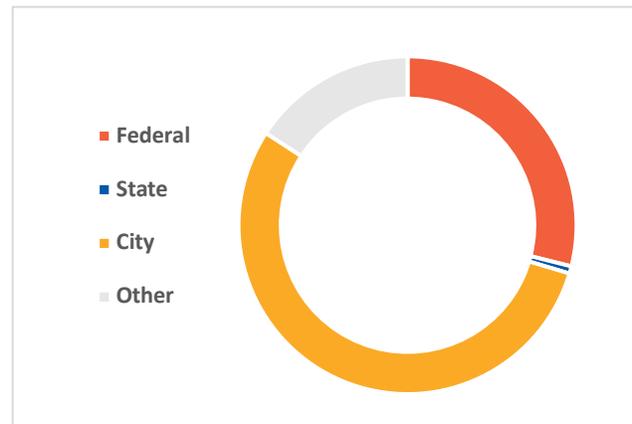


Two grant programs account for nearly all (99.2 percent) of DYCD's federal funding. The larger of the two, Community Services Block Grants (CSBG), provide funding for a range of services that support low-income households. Following a supplemental appropriation made as part of the CARES Act, federal funding for DYCD's CSBG program

more than doubled, rising to \$78.5 million in fiscal year 2021.<sup>viii</sup>

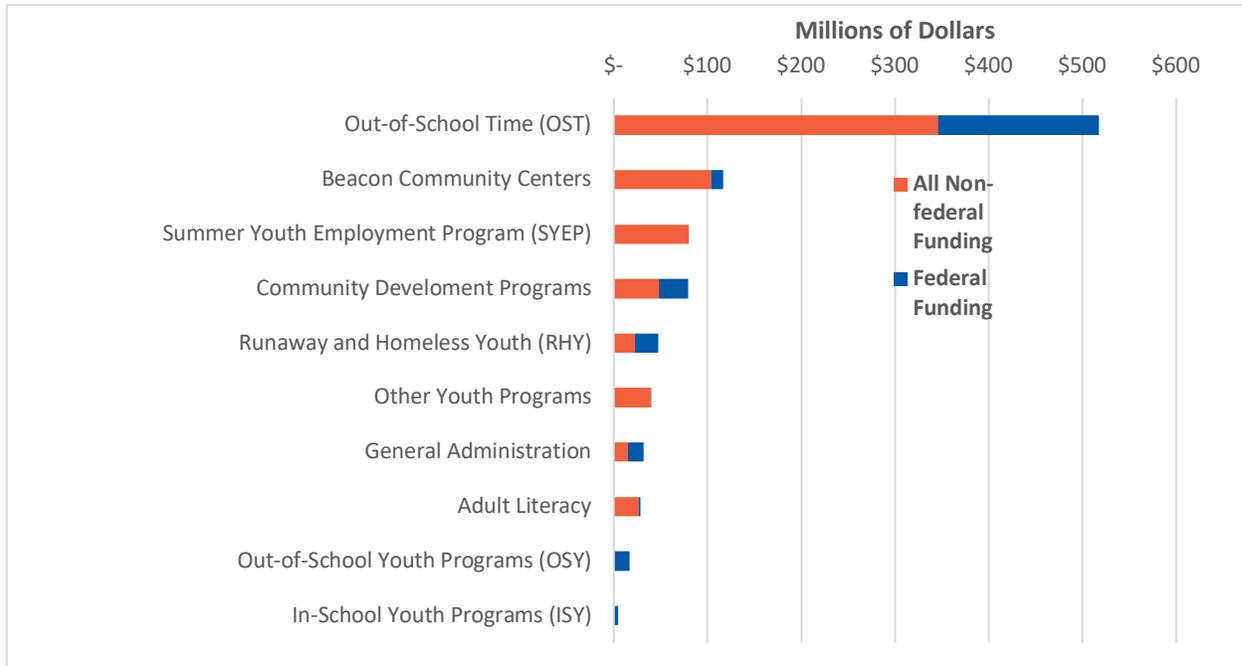
**DYCD Figure 3. Funding by source, Fiscal Year 2021**

Federal Covid-19 appropriations drove the federal share of DYCD's overall budget from 9.5 percent in fiscal year 2020 to 28.9 percent in 2021. The City's share fell correspondingly, from 73.8 percent to 54.6 percent.



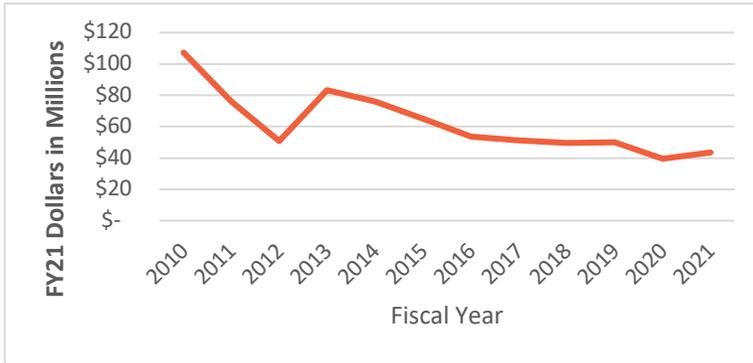
More than half (61.1 percent) of DYCD’s fiscal year 2021 federal funding flowed to its Out-of-School Time program area, an after-school program. This program area attracted a majority of the federal government’s Covid-19 appropriations and experienced a significant funding increase in fiscal year 2021.

**DYCD Figure 4. Federal Funding by Program Area, Fiscal Year 2021**



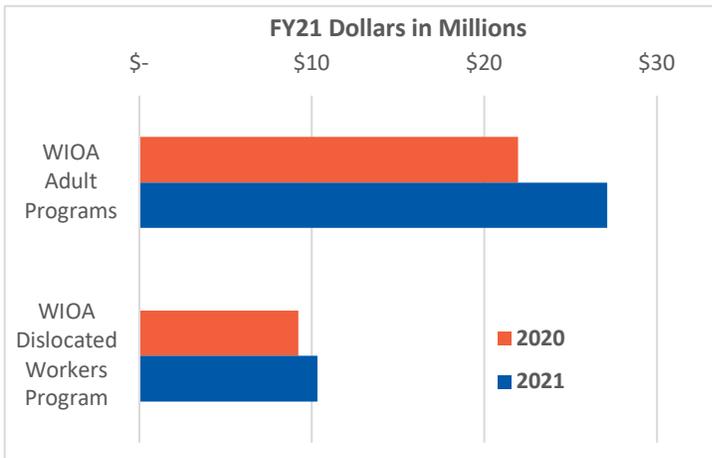
## Small Business Services

**SBS Figure 1. Federal Funding, Fiscal Years 2010 to 2021**



Federal funding for Small Business Services (SBS) rose 9.9 percent to \$43.5 million in fiscal year 2021. Nevertheless, federal funding for the agency remained near decadelong lows, and was less than half the \$107.3 million the agency received in fiscal year 2010, after adjusting for inflation.

**SBS Figure 2. Top Federal Grant Programs, Fiscal Years 2020 and 2021**

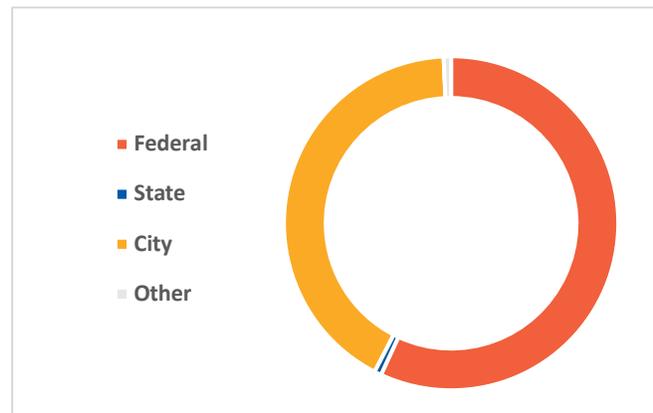


SBS's federal funding increase was driven by increased funding for its largest federal grant-receiving program: the Workforce Innovation and Opportunity Act (WIOA) Adult Programs, which provides career services and job training services. Funding for this program rose 23.5 percent, to \$27.1 million. The increase is the result of the federal grant's unemployment-based

allocation formula and New York City's higher-than-average increase in unemployment during the pandemic.

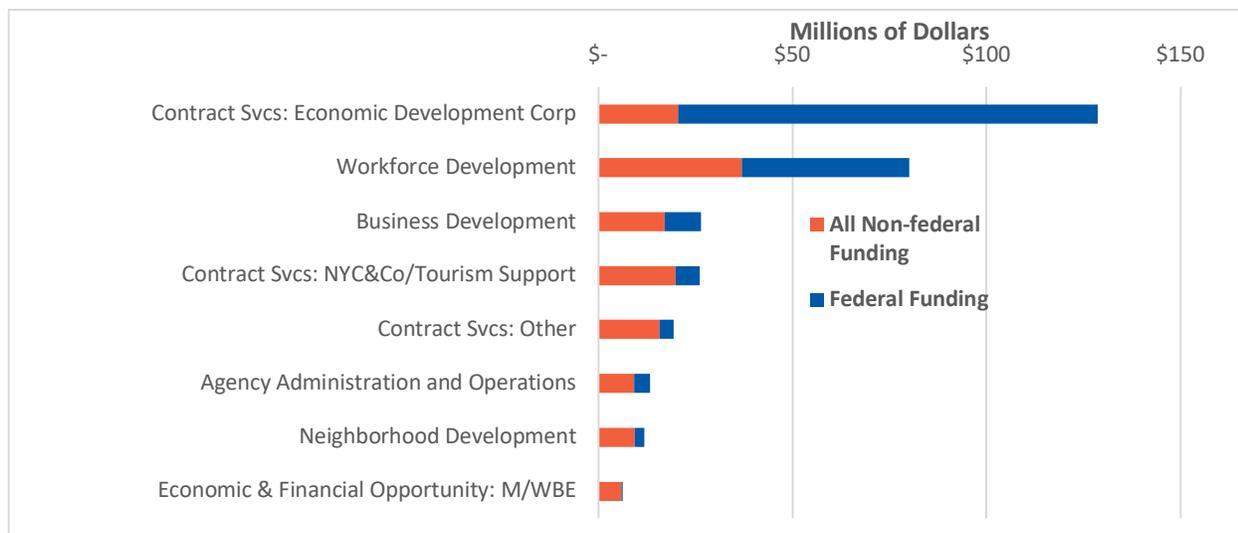
**SBS Figure 3. Funding by Source, Fiscal Year 2021**

The federal government provided 56.9 percent of SBS's funding in fiscal year 2021, an increase from prior years. The City commensurately drew down its SBS funding, making up 41.7 percent of the budget, as State and other source provided negligible amounts of funding.



More than half (60.9 percent) of fiscal year 2021 federal funding to SBS supported the New York City Economic Development Corporation, which operates as an independent agency under contract with SBS. Most of the agency's remaining federal funding supports its Workforce Development program area, which administered its WIOA grants.

**SBS Figure 4. Federal Funding by Program Area, Fiscal Year 2021**



## References

<sup>i</sup> U.S. Department of Housing and Urban Development, “CARES Act Emergency Solutions Grant (ESG) Round 2 Funding under COVID-19 Supplemental Appropriations” (June 2020), [https://www.hud.gov/sites/dfiles/CPD/documents/ESG\\_CARES\\_Act\\_Round\\_2\\_Allocation\\_Methodology\\_rev.pdf](https://www.hud.gov/sites/dfiles/CPD/documents/ESG_CARES_Act_Round_2_Allocation_Methodology_rev.pdf).

<sup>ii</sup> Pavetti, LaDonna, “Rescue Act’s Pandemic Emergency Assistance Will Help Families With Lowest Incomes,” Center for Budget Policy and Priorities (March 2021), <https://www.cbpp.org/blog/rescue-acts-pandemic-emergency-assistance-will-help-families-with-lowest-incomes>.

<sup>iii</sup> New York State Department of Labor, “State Labor Department Releases Preliminary November 2021 Area Unemployment Rates” (January 2022), [https://dol.ny.gov/system/files/documents/2022/01/press-release-2-december-2021-final\\_0.pdf](https://dol.ny.gov/system/files/documents/2022/01/press-release-2-december-2021-final_0.pdf).

<sup>iv</sup> Office of the New York State Comptroller, “Medicaid: Enrollment Growth, COVID-19 and the Future” (December 2021), <https://www.osc.state.ny.us/files/reports/pdf/medicaid-enrollment-growth-covid-19-and-the-future.pdf>.

<sup>v</sup> New York City Comptroller, “Annual Comprehensive Financial Report of the Comptroller for the Fiscal Years Ended June 30, 2021 and 2020” (October 2021), <https://comptroller.nyc.gov/wp-content/uploads/documents/ACFR-2021.pdf>.

<sup>vi</sup> New York City Mayor’s Office of Management and Budget, “Budget Function Analysis” (July 2021), <https://www1.nyc.gov/assets/omb/downloads/pdf/adopt21-bfa.pdf>.

<sup>vii</sup> Congressional Research Service, “Senior Nutrition Programs’ Response to Covid-19” (April 2021) <https://crsreports.congress.gov/product/pdf/IN/IN11266>; USASpending.gov, “Spending by Prime Award” (accessed December 2021), <https://www.usaspending.gov/search/?hash=6704f349f54df4cb8554b2a2591ffb85>.

<sup>viii</sup> U.S. Department of Health and Human Services, “CSBG DCL-2021-28 CSBG CARES Spending Schedule” (September 2021), <https://www.acf.hhs.gov/ocs/policy-guidance/csbg-dcl-2021-28-csbg-cares-spending-schedule>.