



Testimony of FPWA

Presented to:

**2024 Joint Legislative Budget Hearing on Human Services
Hon. Chair Liz Krueger & Hon. Chair Helene E. Weinstein
January 31, 2024**

**Jennifer Jones Austin
Executive Director/CEO**

Prepared By:

**Funmi Akinnawonu, Senior Policy Analyst
Julia Casey, Policy Analyst**

40 Broad Street, 5th Floor
New York, New York 10004
Phone: (212) 777-4800
Fax: (212) 414-1328

We are grateful to the Senate Finance and Assembly Ways and Means Committees for jointly holding this hearing, and to Chairs Krueger and Weinstein for the opportunity to provide written testimony on behalf of FPWA (Federation of Protestant Welfare Agencies) regarding human services in New York State.

FPWA is an anti-poverty policy and advocacy organization committed to advancing economic opportunity, justice, and upward mobility for New Yorkers with low incomes. Since 1922, FPWA has driven groundbreaking policy reforms to better serve those in need. We work to dismantle the systemic barriers that impede economic security and well-being, and we strengthen the capacity of human services agencies and faith organizations so New Yorkers with lower incomes can thrive and live with dignity.

FPWA also has a membership network of more than 170 faith and community-based organizations. We support our members by offering workshops and trainings on topics such as leadership development, organizational management, and trauma-informed approaches to service delivery. FPWA also provides a range of financial assistance grants through our member network, working to strengthen individuals and families at the ground level. These grants provide direct support to New Yorkers in the form of scholarships, financial assistance for aging adults, funding for organizations providing HIV/AIDS related services, and more.

The Joint Legislative Budget Hearings come at a critical time for the state, as many New Yorkers are struggling to make ends meet. A recent report released by FPWA in partnership with the University of Washington revealed a sobering picture of economic deprivation across New York City and State, finding that nearly two out of five households in New York—or nearly 40% of New Yorkers—are struggling to afford just the basics, like paying rent, feeding their families, and affording child care. The data also revealed that people of color and women experience this economic deprivation most acutely, and interlocking systems of racism and sexism make the inequities even more pronounced for women of color. This year's budget presents an opportunity to address these challenges and make progress on critical issues. This includes improving and expanding income supports and addressing the housing crisis to provide relief to New Yorkers struggling to make ends meet; helping immigrants to help to alleviate the gender and racial pay gaps that persist within the state and minimizing inequities exacerbated by the immigration system; and ensuring that the human services sector has the resources needed to thrive.

Summary of Key Budget Recommendations:

- **Cash Assistance**
 - Pass A.5500 (Rosenthal)/S.5270 (Persaud) to raise the basic needs portion of the cash assistance grant for the first time in a decade.
 - Reintroduce bill in the Senate and Assembly to raise the personal needs allowance and special needs allowance for the first time since 1997.

- Pass A.5543 (Rosenthal)/S.2982 (Kavanagh) to raise the shelter allowance to 100% of Fair Market Rent.
- **SNAP**
 - Pass S.7663A (May)/A.6214A (Gonzalez-Rojas) to increase the minimum benefit of SNAP to \$100 across the state.
- **Childcare**
 - Provide a sustained increase in compensation for New York’s child care workforce by:
 - creating a permanent state fund to provide compensation supplements for all members of the child care workforce who work in licensed, regulated programs;
 - increasing rates for legally exempt child care providers as a means of raising compensation for these providers.
 - Pass S.5327A (Brisport)/A.4986A (Hevesi) to end New York’s rule of providing child care assistance only during the exact hours of parents or caretakers work.
 - Pass A.1303 (Clark)/S.4924(Ramos), which would end New York’s rule requiring parents or caretakers to meet a minimum earnings requirement to be eligible for child care assistance.
 - Offer state-funded child care assistance to immigrant children barred by federal law from participating in the New York’s Child Care Assistance Program (CCAP).
- **Housing**
 - Pass A.4021 (Rosenthal)/S.568 (Kavanagh), which establishes the Housing Access Voucher Program, and allocate \$250 million of funding in this year’s budget.
 - Increase housing inventory in NYC by funding the priorities of the 5 Borough Housing Movement.
 - Pass A.1493/S.2721 (May), which establishes statewide Right to Counsel in eviction proceedings, and allocate \$260 million in FY25 to fund the first year of implementation.
- **Immigration**
 - Pass the Access to Representation Act (S.999 (Hoylman-Sigal)/A.170 (Cruz)), which establishes a right to council in immigration deportation proceedings and allocate \$150 million to fund the New York State Office for New Americans.
- **Tax Credits**
 - Pass S.277A (Gounardes)/A.4022A (Hevesi), establishing the Working Families Tax Credit (WFTC), an expanded, improved, and refundable tax credit that combines existing tax credits - the Empire State Child Credit (ESCC), the Earned Income Tax Credit (EITC), and the dependent exemption (DE) - into one more generous credit.
- **Human Services Sector**
 - Grant a 3.2% cost-of-living adjustment (COLA) to state employees and contractors.
 - Pass S.7793 (Persaud)/A.8437 (Hevesi) and S.1291 (Brouk)/A.4046 (Gunther) to include all nonprofit human services contracts under the COLA statute.
 - Pass S.4675 (Ramos), which would establish a wage board comprised of human services employees to inquire into adequate minimum wages for human services employees and make recommendations to the governor and the legislature.

- Pass A.8821(Paulin)/S.3189A(May), the Fair Pay for Home Care Workers Act, which would raise home care wages to 150% of minimum wage, and ensure the money gets to workers and home care providers.
- Pass S.7800 (Rivera)/A.8470 (Paulin), the Home Care Savings and Reinvestment Act Campaign, which repeals managed long term care provisions for Medicaid recipients; establishes provisions for fully integrated plans for long term care including PACE and MAP plans.

Strengthening Cash Assistance and SNAP

As part of our work to improve and expand income supports, we released a report in 2023 on the various gaps in New York State’s cash assistance programs, Family Assistance (FA) and Safety Net Assistance (SNA).¹ Our analysis laid bare the reality of these programs—an onerous application process, punitive work requirements that exacerbate racial inequities, restrictive eligibility criteria that make cash assistance inaccessible to most New Yorkers who are experiencing poverty, the ongoing issues created by the programs’ high churn rate, and restrictive asset limits.

But the most glaring gap in cash assistance is the fact that the benefit levels are immorally low. In fact, the maximum benefit is so unjustly low that households that receive cash assistance remain in dire poverty. As Empire Justice Center has reported, even the maximum cash assistance benefit is less than 50% of the already-low Federal Poverty Level (FPL) in every county in the state.² For example, 50% FPL for a family of three equates to just \$1,075 per month (based on 2024 poverty guidelines³), and for a family of three in Albany County, their maximum cash assistance benefit is just \$698. To address this, we urge the legislature to include funding in the FY25 budget to raise the basic needs portion of the cash assistance grant for the first time in over a decade (A.5500 (Rosenthal)/S.5270 (Persaud)) and raise the personal needs allowance and special needs allowance for the first time since 1997.

Furthermore, the portion of the grant that purports to be an allowance for housing—the “shelter allowance”—is far lower than the cost of housing today. The shelter allowance has not been increased since 2003 for households with children, and for single adults, it has not been increased since 1988. Consequently, it is far below the actual cost of housing in every county in New York State. For example, in Albany County for a family of three, the shelter allowance is just \$309 per month, whereas the U.S. Department of Housing and Urban Development’s (HUD) Fair Market Rent (FMR) for this family size and county is \$1,374. In the Bronx for a family of three, the shelter allowance is just \$400 per month, whereas HUD FMR for this family size and county is \$2,752. The shelter allowance thus covers just 22% of HUD FMR in Albany County and just 15% in Bronx County.⁴ Further exacerbating this issue is the fact that recipients have limited access to housing subsidies, meaning that most recipients only have access

¹ https://www.fpwa.org/wp-content/uploads/2023/01/Caught-in-the-Gaps_2023-1.pdf

² https://empirejustice.org/resources_post/standard-need-charts/

³ <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

⁴ HUD FMR numbers are based on 2024 estimates.

to the shelter allowance to help them cover their housing costs. The result is that many cash assistance households face homelessness or are forced to reside in substandard conditions, including unsafe and even violent living situations. To immediately address housing instability among recipients of cash assistance, we urge the legislature to include funding to raise the shelter allowance to 100% of Fair Market Rent (A.5543 (Rosenthal)/S.2982 (Kavanagh)) in the FY25 budget.

Another key income support for New Yorkers with the lowest incomes is the Supplemental Nutrition Assistance Program (SNAP). SNAP provides individuals and families across the state with access to food assistance, which is of critical importance as New Yorkers continue to experience hunger and food insecurity. SNAP not only reduces poverty and improves nutrition and overall health outcomes, but it also stimulates local economies.⁵ Thus, the state must include funding for S.7663A (May)/A.6214A (Gonzalez-Rojas) to increase the minimum benefit of SNAP to \$100 across the state. (Currently, the minimum benefit is just \$23.) Investing in an increase of the minimum SNAP benefit is a significant step the state could take to reduce food insecurity, and the proposal has already earned the support of a bipartisan group of legislators.⁶

Lastly, as we work to make these immediate investments in programs like cash assistance and SNAP, it is also critical that we work towards long-term solutions that will finally address the structural issues that have perpetuated the inadequacy of the current benefits system. As one example, we must use comprehensive measures of need to determine eligibility for these programs so as not to allocate resources for basic subsistence, but rather provide resources based on a holistic cost of living measure designed to ensure that individuals and families can thrive.

Expanding Access to Quality, Affordable Child Care and Investing in the Workforce

Access to quality, affordable child care is not only essential for the economic well-being of families in New York State, but it is also essential for the well-being of our economy and our communities as a whole. We applaud the historic investment in child care made in the previous legislative session, which helped expand access to assistance and provide some support for the child care workforce; however, further state investments are needed urgently, and FPWA supports the priorities of the Empire State Campaign for Child Care to address the ongoing child care crisis. First, the state must fund a permanent investment in the child care workforce, who are almost entirely women and are disproportionately women of color and continue to be underpaid and undervalued despite the vital work they do each day. The average wage for child care workers in New York State is just \$35,190, one of the lowest among all professions.⁷ This is unacceptable. To stabilize the sector and meet growing need, the state should create a permanent state child care fund to increase child care worker compensation (\$1.2 billion investment). The fund should be sufficient to offer all child care workers compensation parity with

⁵ <https://www.cbpp.org/research/food-assistance/snap-is-linked-with-improved-health-outcomes-and-lower-health-care-costs>; <https://www.ers.usda.gov/topics/food-nutrition-assistance/supplemental-nutrition-assistance-program-snap/economic-linkages/#econactivity>

⁶ <https://www.timesunion.com/capitol/article/lawmakers-call-hochul-include-increased-snap-18530518.php>

⁷ <https://www.bls.gov/oes/current/oes399011.htm>

similar positions in the public school system, and it should be available to all members of the child care workforce who work in licensed, regulated programs. The state must also increase rates for legally-exempt child care providers—family, friends, and neighbors who care for children—to 75% of the family child care rate and to 85% for providers who are eligible for the enhanced rate as a means of raising compensation for these providers (\$50 million investment). Finally, the state should commit to using a cost estimation model to determine state child care reimbursement rates by 2025 with meaningful input from child care providers and parents (\$250,000 investment).

In addition to the challenges the workforce is facing, thousands of low-income families are prevented from accessing child care due to immigration status rules, lack of non-traditional hour care, and other access barriers. To finally help ensure that all families can access child care, the state must end the practice of denying children child care assistance due to immigration status by offering state-funded child care assistance to immigrant children barred by federal law from participating in the New York’s Child Care Assistance Program (CCAP) (\$50 million investment). The state must also end the inequitable rule of tying child care access to parents’ exact hours of work, which creates additional hurdles for many working parents, including parents working in the gig economy (\$70 million investment). In 2023, legislation that would address this, S.5327A (Brisport)/A.4986A (Hevesi), was passed overwhelmingly by the legislature but was then vetoed by the governor for fiscal reasons. The state must also enact presumptive eligibility statewide so that families do not need to wait for paperwork processing to begin receiving assistance (A.4099 (Clark)/S.4667 (Brouk)) (\$30 million investment).

In addition to these investments outlined above, the state must also take steps to increase capacity for non-traditional hour care (A.1374 (Clark)/S.4079 (Brisport)) (\$100 million investment) and expand access to care for children with special needs by dedicating state funds to provide supplemental payments to child care programs who care for children with special needs (\$50 million investment). Finally, the state must prohibit requiring parents or caretakers to earn a minimum wage or work a minimum number of hours to be eligible for child care assistance (A.1303 (Clark)/S.4924(Ramos)) (\$50 million investment).

Expanding Affordable Housing, Housing Inventory, and Legal Representation in Eviction Proceedings

Stable housing is a foundational requirement for individuals and families to thrive. New York is experiencing a housing affordability crisis. We urge the legislature to continue making investments to increase housing inventory and to alleviate the economic struggles of rent burdened New Yorkers. According to a recent study by the NYU Furman Center, approximately 46% of New York State residents are renters, of those renters 53% are rent burdened, or spend more than 30% of their income on rent and utilities and approximately 27% pay more than 50% of their income on rent and utilities each month.⁸

8

https://furmancenter.org/files/publications/Critical_Land_Use_and_Housing_Issues_for_New_York_State_in_2023_Final.pdf

The legislature must pass the bill establishing the Housing Access Voucher Program (HAVP) (A.4021 (Rosenthal)/S.568 (Kavanagh)) and allocate \$250 million to fully fund the program in this year's budget. This bill will set up a statewide rental subsidy program for low-income families and individuals who are facing eviction, currently homeless, or facing loss of housing due to domestic violence or hazardous living conditions. Tenants would contribute 30% of their income toward rent, with the rest covered by subsidies, with the payment standard set at 100% of FMR, and half of all funding would be directed towards homeless families. Programs such as this, along with the passage of the Good Cause bill (A.4452 (Hunter)/S.305 (Salazar)), which will protect tenants from unreasonable rent hikes and retaliatory or discriminatory evictions, are essential to ensuring the New Yorkers maintain stable housing and alleviate rent burden.

We also urge the state to take steps to swiftly increase the housing supply in New York City. To do so, the state should support the priorities of the 5 Borough Housing Movement, which are to (1) allow existing commercial buildings across New York City, especially in Manhattan below 96th Street, to convert to residential use to expand affordable housing across the city; (2) lift the residential floor area ratio (FAR) cap on how many apartments can be in a building in New York City and allow the local government to determine where higher density housing can be built; and (3) provide a tax incentive to encourage converted buildings to include permanently affordable apartments. Between 2010 and 2022 New York City added approximately 200,000 homes while the population increased by 630,000.⁹ The lack of housing inventory will undermine the effectiveness of all affordable housing interventions such as HAVP.

Finally, when tenants face eviction in housing court, we must ensure that they are represented. There is a power imbalance playing out in housing courts across the State of New York, undermining the fundamental fairness of eviction proceedings. Tenants facing potential homelessness often represent themselves while landlords are almost always represented by attorneys. For example, in the third quarter of 2022, the City of Albany reported that only 1.3% of tenants were represented in eviction court compared to 92-94% of landlords.¹⁰ As of December of 2023, there are just over 175,000 eviction cases in housing courts across the state, with the establishment of a right to counsel in housing courts, and sufficient funding for implementation, we will continue to see individuals and families have a fair chance to present their case, negotiate with landlords, and avert homelessness.¹¹ That is why New York State must pass the statewide Right to Counsel in eviction proceedings (A.1493/S.2721 (May)) and allocate \$260 million in the FY25 budget to fund the first year of Right to Counsel's five-year implementation.

There is already evidence of the effectiveness of funding legal counsel for tenants. A study of the roll out of New York City's Universal Access to Counsel Program (UA) found that tenants with lawyers are considerably less likely to be subject to possessory judgments, face smaller monetary damages, are less

⁹ <https://www.rand.org/pubs/articles/2023/how-new-york-city-can-make-housing-more-affordable.html>

¹⁰ <https://albany.gov/2121/Q3-of-2022>

¹¹ <https://www.righttocounselnyc.org/evictioncrisismonitor>

likely to have eviction warrants issued against them, and are ultimately less likely to be evicted.¹² This calls into question the fairness of housing eviction proceedings where the tenants are unrepresented and losing their cases not on the merits, but due to their lack of representation. There can be no justice in these proceedings without representation.

Investing in Immigration Legal Services and an Inclusive Child Welfare Tax Credit

New York State has long been a place that welcomed immigrants who have helped shape the growth and development of the state for generations. The legislature must pass the Access to Representation Act (S.999 (Hoylman-Sigal)/A.170 (Cruz)) and allocate \$150 million to fund the New York State Office for New Americans (ONA). This includes \$62 million for deportation defense; \$65 million for the recruitment and training of legal teams, build needed infrastructure, and reasonably expand rapid response services like support with application for Temporary Protected Status (TPS), work authorization, and asylum; and \$23 million to fund and connect immigrants with programs that help them preserve their rights, gain citizenship and other immigration benefits, participate in the work force and learn English.

Almost a third of immigrants in New York State are from Latin America¹³ who due to a variety of factors experience disproportionately high poverty rates, these disparities are especially present for Latina women who are concentrated in low wage occupations with an average median wage of only \$23,196.¹⁴ The prevalence of Latina women in occupations with depressed wages could be mitigated by access to immigration legal services so that immigrant families can focus on their other needs. When immigrants lack representation, it can be costly not only them, but also the families and communities that rely upon them for economic, emotional, and physical well-being.¹⁵ Immigrants often face being separated from their families in ICE detention as they await their immigration court date, and if deported often face permanent separation from their families and forced return to dangerous or deadly conditions in another country, yet they are not guaranteed a lawyer if they cannot afford one. If locked up in ICE detention, they will be unable to work or care for their children, and the costs of immigration legal services can be detrimental to their finances.

As of November 2023, over 170,000 people in New York are facing deportation without legal representation. This is detrimental to immigrants' likelihood of success; detained immigrants with legal representation are up to 10.5 times more likely to win their case compared to those left without the lifeline that representation offers. For non-detained individuals, 60% of people with legal representation succeed in their cases, compared to a mere 17% of their unrepresented counterparts.¹⁶ Much like in housing eviction proceedings, many immigrants are clearly not losing their cases on the merits, but due to their lack of legal representation. This is not justice.

¹² <https://www.sciencedirect.com/science/article/pii/S0047272723000269>

¹³ <https://www.migrationpolicy.org/data/state-profiles/state/demographics/NY>

¹⁴ <https://www.fpwa.org/wp-content/uploads/2023/07/March-on-Washington-2023.pdf>

¹⁵ <https://www.fwd.us/news/immigration-facts-the-positive-economic-impact-of-immigration/>

¹⁶ <https://perma.cc/82F5-WE2D>

New York has been a leader in the advancement of immigration representation. New York State must protect the legacy it began with the groundbreaking New York Immigrant Family Unity Project ¹⁷ (NYIFUP), which provides deportation defense representation for detained New Yorkers and has been a model for providing immigration legal services in deportation proceedings in jurisdictions around the country. It is imperative that we sustainably expand our acclaimed immigration legal services programs to meet the needs of the moment.

Investing in infrastructure of immigration legal services is necessary to ensure that New York State can promptly address the ebb and flow of needs based on migration patterns. Migration is a natural phenomenon, and a fully funded immigration legal services system should include the capacity of efficient rapid response assessments and deployment.

New York State currently faces a labor shortage, with more job openings than workers available to fill these vacancies. Immigrants who are eager to provide for their families and contribute to the workforce are unjustly hindered from doing so by prolonged delays and arduous processes in obtaining work authorization. Now, more than ever, investing in compassionate immigration policies is not just a moral imperative but a strategic move for our collective safety and economic prosperity.

As the legislature works to ensure that New Yorkers from all backgrounds can prosper, we must ensure that immigrants are included in programs that allow New Yorkers to build and maintain economic security for themselves and their families. Consequently, FPWA supports the Working Families Tax Credit (WFTC) (S.277A (Gounardes)/A.4022A (Hevesi)), which would create an expanded, improved, and refundable tax credit by combining existing tax credits—the Empire State Child Credit (ESCC), the Earned Income Tax Credit (EITC), and the dependent exemption (DE)—into one more generous credit. Critically, the Working Families Tax Credit would remove the minimum income requirements that exclude the lowest income families, and it would expand the EITC to include Individual Tax Identification Number (ITIN) filers. These changes to our tax code would help nearly every New York family with children—regardless of their immigration status—meet their needs and have more resources to enable their children to thrive. Making sure that the WFTC is inclusive allows immigrant families living around the state to care for their children, which economically bolsters communities.

Investing in Human Services Agencies

We urge the legislature to better support and invest in human services agencies in this year's budget. The human services sector continuously steps up to help address the real challenges that New Yorkers are facing by delivering vital services to those in need. While we were encouraged that Governor Hochul included a 1.5% Cost-of-Living Adjustment (COLA) for human services workers in her executive budget proposal, this increase is insufficient. FPWA lifts up the Human Services Council's #JustPay Campaign's

¹⁷ <https://www.vera.org/ending-mass-incarceration/reducing-incarceration/detention-of-immigrants/new-york-immigrant-family-unity-project>

ask for a 3.2% COLA. FPWA urges the legislature to support this vital workforce by prioritizing an inclusive COLA that not only adequately accounts for the rising cost of living but also reflects the invaluable contributions of these workers. In addition to this, we urge the legislature to pass S.7793 (Persaud)/A.8437 (Hevesi) and S.1291 (Brouk)/A.4046 (Gunther) to include all nonprofit human services contracts under the COLA statute. Lastly, we urge the passage of S.4675 (Ramos), which would establish a wage board comprised of human services employees to inquire into adequate minimum wages for human services employees and make recommendations to the governor and the legislature.

Human service agencies are already facing high vacancy rates and retention challenges. Fair, livable wages are needed both for current workers and to attract more workers to the sector. Paying human services workers fairly, at a rate that recognizes their vital contribution, is not only long-overdue but is also necessary to enable an equitable, just, and appropriately resourced human services sector that is responsive to the needs of New Yorkers.

New York also needs to make investments in home healthcare for elderly and disabled New Yorkers by passing and fully funding the Fair Pay for Home Care Workers Act (A.8821(Paulin)/S.3189A (May)). This bill would raise home care wages to 150% of minimum wage, and ensure the money gets to workers and home care providers. Due to low wages and difficulties of home care work, there is a shortage of workers and a high turnover rate. This issue is expected to worsen in the next decade, as baby boomers age and life expectancies increase, a growing number of New Yorkers will need home health aides.

Currently home care workers are not sufficiently compensated. Home care workers' salaries have been largely stagnant for the last 10-20 years, and as of 2022 home care workers in New York were making about \$16 per hour, or \$32,000 per year, while nursing care facilities workers made \$28 per hour, or \$56,000 per year. Research shows that over half of home care workers access some form of public assistance, whether through SNAP, Medicaid or cash assistance.¹⁸ Without sufficient investments from the state, elderly and disabled workers along with home care workers will suffer. This is also an equity issue, as most home healthcare workers come from historically marginalized groups including women, people of color, and immigrants. Failing to increase the salaries of home care workers contributes to the disparities in wealth accumulation and economic stability often seen in occupation dominated by historically marginalized groups.

Finally, we urge the passage of the Home Care Savings and Reinvestment Act Campaign (S.7800 (Rivera)/A.8470 (Paulin)). The Act will redirect billions of Medicaid home care dollars that the state allocates to private insurance companies (called Managed Long Term Care plans). It will generate approximately \$2.5 billion in savings annually, which could be used to improve service quality by funding higher wages for home care workers during the growing worker shortage.

¹⁸ <https://fiscalpolicy.org/workforce-report-labor-shortage-mitigation-in-new-yorks-home-care-sector>

Conclusion

Thank you for your time and your attention to these critical issues. FPWA looks forward to working with you to make meaningful investments in the economic security of New Yorkers with the lowest incomes in this year's budget. To do so, it is critical that the budget focuses on improving income supports such as cash assistance and SNAP, making permanent investments in child care, strengthening the human services sector with at 3.2% COLA, achieving fair pay for home care workers, addressing the housing crisis, and investing in access to counsel in eviction and immigration deportation proceedings. While these investments are essential to promoting economic security and protecting the dignity of New Yorkers, we must not lose sight of the important systemic changes, such as accurately measuring the true cost of living, that must be made in our State to fundamentally shift the underlying economic conditions of millions of New Yorkers.