



**Testimony of FPWA**

**Presented to:**

**2026 Joint Legislative Budget Hearing on Human Services  
Hon. Chair Krueger & Hon. Chair Pretlow  
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**Jennifer Jones Austin**

**Executive Director/CEO**

**Prepared By:**

**Julia Casey, Senior Policy Analyst  
Kinsey Uzelac, Policy Intern**

40 Broad Street, 5<sup>th</sup> Floor  
New York, New York 10004  
Phone: (212) 777-4800

We are grateful to the Senate Finance and Assembly Ways and Means Committees for jointly holding this hearing on the State Fiscal Year (SFY) 2026-2027 Executive Budget Proposal, and to Chairs Krueger and Pretlow for the opportunity to provide written testimony on behalf of FPWA (Federation of Protestant Welfare Agencies) regarding human services and economic security in New York State.

FPWA is a leading anti-poverty, social policy, and advocacy organization dedicated to strengthening human services organizations and faith institutions and advancing economic security and justice 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 structural and 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 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.

In 2024, FPWA co-founded the National True Cost of Living Coalition. In partnership with Community Service Society of New York, FPWA commissioned the Urban Institute to develop a first-in-the-nation True Cost of Economic Security (TCES) measure, which provides a comprehensive view of households' costs and resources detailed at the county level.<sup>1</sup> This research revealed that across the nation, 52 percent of people—and 54 percent of New Yorkers<sup>2</sup>—are economically insecure, meaning they do not have the resources necessary to meet this comprehensive set of regular household costs, set aside savings both for future planning and for short-term emergencies, and manage debt. In certain areas and for certain demographic groups, that number is even higher. For instance, 72 percent of families with children in New York City—and an unconscionable 91 percent of single-parent households in New York City—fall below the TCES, with New Yorkers of color disproportionately experiencing economic insecurity.<sup>3</sup> More,

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<sup>1</sup> Acs, G., Dehry, I., Giannarelli, L., & Todd, M. (2024). *Measuring the True Cost of Economic Security: What does it take to thrive, not just survive, in the US today?* Urban Institute. <https://www.urban.org/sites/default/files/2024-11/Measuring-the-True-Cost-of-Economic-Security.pdf>

Using county-level data, the TCES offers a robust look at the costs families face today, measuring average costs for food, clothing, housing, health care, childcare, transportation, post-secondary education, debt service, and additional miscellaneous costs. In addition, the measure calculates the resources that individuals and families have to meet these costs, including labor earnings and self-employment income, some types of passive investment income, pensions and retirement income, government social insurance and public assistance programs like Social Security, Medicare, Medicaid, and the Supplemental Nutrition Assistance Program (SNAP), as well as employer-provided healthcare contributions. Unique to this measure, the TCES includes a 10 percent savings threshold in the costs criteria that allows households to cover unexpected expenses and plan for the future.

<sup>2</sup> Unpublished Urban Institute TCES data, held at FPWA.

<sup>3</sup> FPWA. (2025). *True Cost of Economic Insecurity: Policy implications for New York City*. [https://www.fpwa.org/wp-content/uploads/2025/09/True-Cost-of-Economic-Security\\_Policy-Implications-for-New-York-City\\_9.29.25-1.pdf](https://www.fpwa.org/wp-content/uploads/2025/09/True-Cost-of-Economic-Security_Policy-Implications-for-New-York-City_9.29.25-1.pdf)

economic mobility has declined<sup>4</sup> and wages have stagnated,<sup>5</sup> leaving economic security out of reach for most New Yorkers.

This robust accounting of costs that individuals and families incur as well as the resources they have to meet them provides a roadmap for policymaking. We encourage the legislature to consider the impact that all legislation, not just that listed below, will have on the economic security of New Yorkers. In particular, the legislature should consider how to increase resources for families through wages, tax credits and more, while working to reduce costs, particularly for the areas of highest burden for New Yorkers: housing, health care, and childcare. In making these determinations, it is vital that resources be targeted first and most robustly towards those furthest away from economic security, stabilizing individuals and families in crisis and providing pathways toward economic security.

The Joint Legislative Budget Hearings come at a critical time for the state. In the last year, the cost-of-living crisis has been exacerbated by sweeping funding cuts and policy changes at the federal level that are negatively impacting New Yorkers across the state, but especially those who are facing deep economic insecurity. This includes funding cuts and other changes that reduce the scale and scope of programs like the Supplemental Nutrition Assistance Program (SNAP) and Medicaid, and most recently, an attempted freeze on federal funds to New York for programs like Temporary Assistance for Needy Families (TANF), which funds cash assistance and other supports for low-income New Yorkers. Now more than ever, it is critical that the state step up and fulfill its responsibility to care for those most impacted by the onslaught of federal cuts.

The FY27 state budget presents an opportunity for the state to make real progress on ensuring economic security for all New Yorkers. This includes improving and expanding income supports and tax credits for low-income New Yorkers, addressing the housing crisis, making critical investments to expand access to childcare while supporting the childcare workforce, protecting immigrant New Yorkers, and advancing equity in education access and opportunity.

#### **Summary of Key Budget Recommendations:**

- **Strengthening Income Supports**
  - **Cash Assistance**
    - **Assembly Bill A.106 (Rosenthal) and Senate Bill S.1127 (Persaud)** to increase the basic needs portion of the cash assistance grant by 100 percent and index it to

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<sup>4</sup> Isaacs, J. B. (2016). *International comparisons of economic mobility*. The Brookings Institution. [https://www.brookings.edu/wp-content/uploads/2016/07/02\\_economic\\_mobility\\_sawhill\\_ch3.pdf](https://www.brookings.edu/wp-content/uploads/2016/07/02_economic_mobility_sawhill_ch3.pdf)

<sup>5</sup> DeSilver, D. (2018). *For most U.S. workers, real wages have barely budged in decades*. Pew Research Center. <https://www.pewresearch.org/short-reads/2018/08/07/for-most-us-workers-real-wages-have-barely-budged-for-decades/>

inflation thereafter. This was recommended by the Governor's Child Poverty Reduction Advisory Council (CPRAC).<sup>6</sup>

- **Assembly Bill A.108 (Rosenthal) and Senate Bill S.113 (Cleare)** to raise the personal needs allowance and special needs allowance by 100 percent to increase cash assistance for homeless New Yorkers and establish parity with other recipients. Currently, New Yorkers who reside in shelter receive just \$45 per month for single adults and \$63 per month per individual in families with children.
- Additional policies to improve access and retention in the cash assistance program.
- **Tax Credits**
  - **Assembly Bill A.3474 (Hevesi) and Senate Bill S.2082 (Gounardes)** to implement the New York State Working Families Tax Credit.
- **SNAP and Other Anti-hunger Programs**
  - **Assembly Bill A.1318 (Gonzalez-Rojas) and Senate Bill S.665 (May)** to increase the minimum SNAP benefit to \$100 across the state.
  - **Invest \$244 million to establish a state-funded food benefit** for two groups of New Yorkers who are excluded from SNAP due to their immigration status.
  - Investments in other critical nutrition programs, including the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the Hunger Prevention and Nutrition Assistance Program (HPNAP), and Nourish New York.
- **Expanding Access to Childcare and Supporting the Childcare Workforce**
  - **Assembly Bill A.492A (Hevesi) and Senate Bill S.5533 (Brisport)** to provide ongoing and reliable compensation supplements to all members of the childcare workforce.
  - Ensure that the state prioritizes low-income families on the path to universal childcare by adequately resourcing New York's Child Care Assistance Program (CCAP).
    - Adopt the Governor's proposed \$1.2 billion recurring investment in CCAP and add additional funding as needed to ensure no eligible families are turned away or placed on waitlists.
- **Addressing the Housing Crisis**
  - **Assembly Bill A.1704 (Rosenthal) and Senate Bill S.72 (Kavanagh)** to establish the Housing Access Voucher Program (HAVP), a state-funded rental assistance program that would provide housing vouchers to eligible individuals and families who are homeless or who face an imminent loss of housing.
- **Protecting Immigrant New Yorkers**
  - **Assembly Bill A.3506A (Reyes) and Senate Bill S.2235A (Gounardes)** to prohibit specific New York State agencies and agents from questioning individuals regarding their citizenship or immigration status.

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<sup>6</sup> New York State Child Poverty Reduction Advisory Council. (2024). *New York State Child Poverty Reduction Advisory Council: 2024 recommendations and progress report*. Office of Temporary and Disability Assistance. <https://otda.ny.gov/CPRAC/reports/CPRAC-2024-Recommendations-and-Progress-Report.pdf>

- **Assembly Bill A.4181 (Reyes) and Senate Bill S.316 (Salazar)** to prohibit governmental entities from entering into agreements to house individuals in immigration detention facilities and to require governmental entities to terminate existing contracts for the detention of individuals in immigration detention facilities.
- **Assembly Bill A.270 (Cruz) and Senate Bill S.141 (Hoylman-Sigal)** to establish the right to legal counsel in immigration court proceedings.
- **Advancing Equity in Education**
  - Adopt a robust Preschool-to-Workforce Statewide Longitudinal Data System (SLDS).
  - Invest in emergency aid for college students who are experiencing economic insecurity.

## Strengthen Income Supports for New Yorkers Experiencing Economic Insecurity

### Improve and Expand Cash Assistance

As part of our work to support and stabilize New Yorkers with very low incomes, we continue to conduct research to identify ways to address the ongoing gaps and shortcomings of current benefits programs, with a focus on direct cash supports. In December 2025, we published a policy brief, *Cash Assistance, Reimagined: Lessons from Guaranteed Income*.<sup>7</sup> The brief first synthesizes findings from a growing body of research on guaranteed income demonstration projects, which provide monthly cash payments to individuals and families with low incomes, supplementing their existing income so they experience a net gain in resources.<sup>8</sup> The research shows that direct cash:

- **Increases household resources:** Guaranteed income demonstrations have shown that additional unrestricted cash enhances participants' ability to meet their needs and pay bills on time.<sup>9 10</sup>
- **Supports economic security:** Research from the demonstrations has shown that individuals pay off debt and save for the future,<sup>11</sup> allowing them to weather unforeseen financial shocks. Further,

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<sup>7</sup> FPWA. (2025). *Cash Assistance, reimagined: Lessons from guaranteed income*. <https://www.fpwa.org/wp-content/uploads/2025/12/Guaranteed-Income-Policy-Brief.pdf>

<sup>8</sup> The demonstration projects mentioned in this section provided direct cash in amounts ranging from \$500 to \$1,000 for a period of between 12 to 24 months and were targeted to people with low incomes (including those below the Federal Poverty Level, households with income below 80 percent area median income, and those in neighborhoods with area median income below \$46,033).

<sup>9</sup> Downey, N. (2022). *Guaranteed income: States lead the way in reimagining the social safety net*. Shriver Center on Poverty Law & Economic Security Project. <https://www.povertylaw.org/wp-content/uploads/2022/04/ESP-Shriver-Center-Report-V7-040122-1.pdf>

<sup>10</sup> Springboard to Opportunities. (2020). *Magnolia's Mother's Trust 2020 evaluation report*. [https://springboardto.org/wp-content/uploads/2024/09/STO\\_MMT-2nd-Cohort-2020-Evaluation-Summary-1.pdf](https://springboardto.org/wp-content/uploads/2024/09/STO_MMT-2nd-Cohort-2020-Evaluation-Summary-1.pdf)

<sup>11</sup> Springboard to Opportunities. (2024). *Holistic Prosperity: An abundance-based framework to develop programs and systems that are grounded in trust, equity, and a belief that all people deserve a life of dignity*. <https://springboardto.org/wp-content/uploads/2024/09/Holistic-Prosperity-Full-White-Paper-1.pdf>

receiving cash promotes economic mobility by affording individuals more opportunities for self-determination, choice, goal-setting,<sup>12</sup> and planning for the future.<sup>13</sup>

- **Improves health and well-being:** Additional, unrestricted cash supports well-being, as it has been shown to reduce stress<sup>14</sup> and improve physical and mental health.<sup>15</sup>
- **Improves birth outcomes:** Multiple pilots have focused on pregnancy, a time of increased financial stress for families, and have found that additional cash during this time significantly reduces the rates of preterm birth and low birthweight.<sup>16</sup>
- **Supports food security:** The pilots have found that cash recipients have improved food security and nutrition,<sup>17</sup> as it allows more money to cover food costs and more time to prepare balanced meals.<sup>18</sup>
- **Enhances housing stability:** Families who participated in pilot programs had a reduction in their housing cost burden,<sup>19</sup> and cash programs have been shown to help prevent homelessness and support housing stability.<sup>20 21</sup>

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<sup>12</sup> West, S., Castro, A. B., Samra, S., & Coltrera, E. (2021). *Preliminary analysis: SEED's first year*. Stockton Economic Empowerment Demonstration (SEED).

[https://static1.squarespace.com/static/6039d612b17d055cac14070f/t/603ef1194c474b329f33c329/1614737690661/SEED\\_Preliminary+Analysis-SEEDs+First+Year\\_Final+Report\\_Individual+Pages+-2.pdf](https://static1.squarespace.com/static/6039d612b17d055cac14070f/t/603ef1194c474b329f33c329/1614737690661/SEED_Preliminary+Analysis-SEEDs+First+Year_Final+Report_Individual+Pages+-2.pdf)

<sup>13</sup> Downey, N. (2022). *Guaranteed income: States lead the way in reimagining the social safety net*. Shriver Center on Poverty Law & Economic Security Project. <https://www.povertylaw.org/wp-content/uploads/2022/04/ESP-Shriver-Center-Report-V7-040122-1.pdf>

<sup>14</sup> Kim, B. E., Castro, A., West, S., Tandon, N., Ho, L., Nguyen, V. T., & Sharif, K. (2024). *The American guaranteed income studies: City of Los Angeles BIG:LEAP*. University of Pennsylvania, Center for Guaranteed Income Research. <https://basicincome.org/wp-content/uploads/2024/07/CGIRLABIGLEAPFinalReport.pdf>

<sup>15</sup> West, S., Castro, A. B., Samra, S., & Coltrera, E. (2021). *Preliminary analysis: SEED's first year*. Stockton Economic Empowerment Demonstration (SEED).

[https://static1.squarespace.com/static/6039d612b17d055cac14070f/t/603ef1194c474b329f33c329/1614737690661/SEED\\_Preliminary+Analysis-SEEDs+First+Year\\_Final+Report\\_Individual+Pages+-2.pdf](https://static1.squarespace.com/static/6039d612b17d055cac14070f/t/603ef1194c474b329f33c329/1614737690661/SEED_Preliminary+Analysis-SEEDs+First+Year_Final+Report_Individual+Pages+-2.pdf)

<sup>16</sup> Agarwal, S., Shaefer, H. L., Zamani-Hank, Y., Finegood, E., LaChance, J., & Hanna, M. (2025). *Perinatal cash transfers and birth outcomes: A population-based, quasi-experimental study of the Rx Kids unconditional cash prescription during pregnancy and infancy*. <https://ssrn.com/abstract=5459276>

<sup>17</sup> Downey, N. (2022). *Guaranteed income: States lead the way in reimagining the social safety net*. Shriver Center on Poverty Law & Economic Security Project. <https://www.povertylaw.org/wp-content/uploads/2022/04/ESP-Shriver-Center-Report-V7-040122-1.pdf>

<sup>18</sup> Springboard to Opportunities. (2020). *Magnolia's Mother's Trust 2020 evaluation report*. [https://springboardto.org/wp-content/uploads/2024/09/STO\\_MMT-2nd-Cohort-2020-Evaluation-Summary-1.pdf](https://springboardto.org/wp-content/uploads/2024/09/STO_MMT-2nd-Cohort-2020-Evaluation-Summary-1.pdf)

<sup>19</sup> Kim, B. E., Castro, A., West, S., Tandon, N., Ho, L., Nguyen, V. T., & Sharif, K. (2024). *The American guaranteed income studies: City of Los Angeles BIG:LEAP*. University of Pennsylvania, Center for Guaranteed Income Research. <https://basicincome.org/wp-content/uploads/2024/07/CGIRLABIGLEAPFinalReport.pdf>

<sup>20</sup> Bogle, M., Williams, J. L., Braswell, C., & Fung, L. (2022). *Guaranteed income as a mechanism for promoting housing stability: Exploring an important policy lever for addressing America's affordable housing crisis*. Urban Institute. [https://www.urban.org/sites/default/files/2022-](https://www.urban.org/sites/default/files/2022-12/Guaranteed%20Income%20as%20a%20Mechanism%20for%20Promoting%20Housing%20Stability.pdf)

[12/Guaranteed%20Income%20as%20a%20Mechanism%20for%20Promoting%20Housing%20Stability.pdf](https://www.urban.org/sites/default/files/2022-12/Guaranteed%20Income%20as%20a%20Mechanism%20for%20Promoting%20Housing%20Stability.pdf)

<sup>21</sup> Brisson, D., Calhoun, K. H., Coddington, L., Flaxman, J., Locke, S., Mann, B., Traver, A., & Yang, H. (2024). *Denver Basic Income Project: Year one evaluation report*. Denver Basic Income Project.

[https://static1.squarespace.com/static/64f507a995b636019ef8853a/t/6671a15eec7a812dee108e7c/1718722914185/FINAL\\_D-BIP+Year+One+Quantitative+Research+Report.pdf](https://static1.squarespace.com/static/64f507a995b636019ef8853a/t/6671a15eec7a812dee108e7c/1718722914185/FINAL_D-BIP+Year+One+Quantitative+Research+Report.pdf)

- **Improves educational outcomes:** Additional, unrestricted cash has been shown to improve the educational outcomes for children<sup>22</sup> and increase educational enrollment for adults.<sup>23</sup>
- **Reduces domestic violence:** Receiving additional, unrestricted cash has even been shown to reduce instances of intimate partner violence, promoting safety for the entire family.<sup>24</sup>
- **Increases rates of full-time employment:** Perhaps surprisingly, receipt of unrestricted cash payments is linked to increases in rates of full-time employment.<sup>25</sup>
- **Reduces child welfare system involvement:** Unrestricted cash has been found to reduce allegations of maltreatment among infants.<sup>26</sup>

The policy brief then explores how the state can apply the principles of guaranteed income to its existing cash assistance program. The cash assistance program serves New Yorkers who are furthest from the TCES, many of whom meet the federal government’s definition of “deep poverty” and face persistent stigma and harmful stereotypes that are rooted in racism and sexism. While the program remains a vital support, it is notoriously difficult to access and does not provide enough for individuals to meet even their most basic needs.

This work builds upon a 2024 report we published that shares stories from New Yorkers who receive cash assistance.<sup>27</sup> The New Yorkers we interviewed spoke about how they struggle to get by on cash assistance, which often means going without. Participants who are parents mentioned that they regularly skip meals so that their children can eat. Parents also spoke about how, despite their best efforts, their kids ultimately go without too—from shampoo and hygiene products to clothing, shoes, and school supplies.

Cash assistance benefit levels are extremely low. The actual amount individuals and families are eligible to receive varies based on household size, income, and other factors, but even the maximum cash amount is so unjustly low that households that receive cash assistance remain in dire poverty. In New York City, a family of three is eligible to receive a maximum of \$389 per month, including \$336 for the “basic needs allowance” and \$53 for the “home energy allowance” (excluding the separate “shelter allowance,” which

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<sup>22</sup> DeYoung, E., Tandon, N., West, S., Castro, A., Golinkoff, J., & Thompson, A. (2024). *The American guaranteed income studies: Cambridge, Massachusetts*. University of Pennsylvania, Center for Guaranteed Income Research. <https://upenn.app.box.com/v/CGIR-Report-Cambridge-MA>

<sup>23</sup> Campos, S., Ebba, C. W., Karim, N., & Rowe-Harriott, S. (2024). *Magnolia Mother’s Trust: 2022-2023 evaluation report*. Springboard to Opportunities. <https://springboardto.org/wp-content/uploads/2024/09/MMT-4.0-Cohort-Full-Evaluation.pdf>

<sup>24</sup> Kim, B. E., Castro, A., West, S., Tandon, N., Ho, L., Nguyen, V. T., & Sharif, K. (2024). *The American guaranteed income studies: City of Los Angeles BIG:LEAP*. University of Pennsylvania, Center for Guaranteed Income Research. <https://basicincome.org/wp-content/uploads/2024/07/CGIRLABIGLEAPFinalReport.pdf>

<sup>25</sup> West, S., Castro Baker, A., Samra, S., & Coltrera, E. (2021). *Preliminary analysis: SEED’s first year*. Stockton Economic Empowerment Demonstration (SEED). [https://static1.squarespace.com/static/6039d612b17d055cac14070f/t/603ef1194c474b329f33c329/1614737690661/SEED\\_Pre+liminary+Analysis-SEEDs+First+Year\\_Final+Report\\_Individual+Pages+-2.pdf](https://static1.squarespace.com/static/6039d612b17d055cac14070f/t/603ef1194c474b329f33c329/1614737690661/SEED_Pre+liminary+Analysis-SEEDs+First+Year_Final+Report_Individual+Pages+-2.pdf)

<sup>26</sup> Agarwal, S., Shaefer, H. L., Jubaed, S., Schneider, W., Finegood, E., & Hanna, M. (2025). *Cash transfers in the perinatal period and child welfare system involvement among infants: Evidence from the Rx Kids program in Flint, Michigan*. University of Michigan. <https://arxiv.org/pdf/2511.19570>

<sup>27</sup> FPWA. (2024). *Rewriting the Story: Lived experiences of New Yorkers receiving cash assistance*. [https://www.fpwa.org/wp-content/uploads/2024/10/FPWA-Cash-Assistance-Story-Collection-Series\\_10.21.2024\\_3.52\\_PM-1.pdf](https://www.fpwa.org/wp-content/uploads/2024/10/FPWA-Cash-Assistance-Story-Collection-Series_10.21.2024_3.52_PM-1.pdf)

is typically paid directly to a landlord), or \$4,668 a year.<sup>28</sup> As we learned from the TCES, families with children in New York City need \$165,300 per year to be economically secure.<sup>29</sup> Cash assistance, then, barely provides enough to stabilize families or alleviate crisis.

To address this, we support state-level actions to modernize and strengthen the program. Most urgent is the need to increase the cash assistance grant, which was a key policy recommended by the Governor's Child Poverty Reduction Advisory Council (CPRAC).<sup>30</sup> Thus, we urge the legislature to include Assembly Bill A.106 (Rosenthal) and Senate Bill S.1127 (Persaud) in the state budget to increase the basic needs portion of the cash assistance grant by 100 percent and index it to inflation thereafter. We also support Assembly Bill A.108 (Rosenthal) and Senate Bill S.113 (Cleare) to raise the personal needs allowance and special needs allowance by 100 percent to increase cash assistance for homeless New Yorkers and establish parity with other recipients. Currently, New Yorkers who reside in shelter receive just \$45 per month for single adults and \$63 per month per individual for families with children.

As our previous report highlighted, in addition to the low benefits, another central issue is that New Yorkers face persistent barriers to access and maintain cash assistance.<sup>31</sup> Each year, tens of thousands of New Yorkers are denied access to the program due to administrative barriers, most often related to the application and recertification processes. The access barriers are particularly harmful given that individuals come to the program during periods of instability and hardship in their lives. Often, they have also experienced complex challenges in addition to poverty, such as homelessness and domestic violence. These administrative hurdles can exacerbate existing stress or trauma that applicants and recipients are already experiencing and lead to eligible New Yorkers losing out on necessary benefits. That is why we support efforts to streamline access and retention to the program, including eliminating resource limits, expanding the availability of earned income disregards, and eliminating durational work requirement sanctions around the state, all policies supported by CPRAC as well. Specifically:

- **Assembly Bill A.6448A (Hunter) and Senate Bill S.4417A (May)** to mitigate the harmful impact of work requirement sanctions, which reduce or revoke benefits for a set period of time from recipients who are deemed “noncompliant.” This bill would adopt New York City’s sanction law and end durational work requirement sanctions.
- **Assembly Bill A.4317 (Davila) and Senate Bill S.182 (Persaud)** to allow working recipients to have earnings up to 400 percent of the Federal Poverty Level disregarded for six months, allowing them to increase their income while maintaining benefits.
- **Assembly Bill A.4352 (Rosenthal)** to remove the asset test for cash assistance.

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<sup>28</sup> Community Service Society of New York. (2026). Benefits Plus Learning Center.

<https://bplc.cssny.org/files/attachment/98ec6da0-2084-4619-88de-e9e615ec037f/>

<sup>29</sup> FPWA. (2025). *True Cost of Economic Insecurity: Policy implications for New York City*. [https://www.fpwa.org/wp-content/uploads/2025/09/True-Cost-of-Economic-Security\\_Policy-Implications-for-New-York-City\\_9.29.25-1.pdf](https://www.fpwa.org/wp-content/uploads/2025/09/True-Cost-of-Economic-Security_Policy-Implications-for-New-York-City_9.29.25-1.pdf)

<sup>30</sup> New York State Child Poverty Reduction Advisory Council. (2024). *New York State Child Poverty Reduction Advisory Council: 2024 recommendations and progress report*. Office of Temporary and Disability Assistance.

<https://otda.ny.gov/CPRAC/reports/CPRAC-2024-Recommendations-and-Progress-Report.pdf>

<sup>31</sup> FPWA. (2024). *Rewriting the Story: Lived experiences of New Yorkers receiving cash assistance*. [https://www.fpwa.org/wp-content/uploads/2024/10/FPWA-Cash-Assistance-Story-Collection-Series\\_10.21.2024\\_3.52\\_PM-1.pdf](https://www.fpwa.org/wp-content/uploads/2024/10/FPWA-Cash-Assistance-Story-Collection-Series_10.21.2024_3.52_PM-1.pdf)



## Expand Tax Credits for New Yorkers

Another way of directing resources to New Yorkers in need is through the tax system. Ensuring our tax system works for everyone, not just the wealthy, is critical in our state especially, as New York ranked as the most economically unequal state in the nation and is home to 137 billionaires.<sup>32 33</sup> At a time when the federal government is doing the bidding of millionaires and billionaires, New York State has an urgent responsibility to promote equitable tax policies that ensure the state's resources are collected and distributed equitably.

One promising tax proposal is the Working Families Tax Credit (WFTC), an expanded, improved refundable tax credit that combines the Empire State Child Credit (ESCC), the Earned Income Tax Credit (EITC), and the dependent exemption (DE) into one more generous credit. The WFTC is designed to address inequities in the state's refundable tax system and direct state resources to low- and middle-income New Yorkers. Critically, the WFTC includes the lowest income households by removing restrictive minimum income requirements that typically limit support for these households. The credit also expands eligibility to immigrant tax filers who use Individual Taxpayer Identification Numbers (ITINs), a group that is currently excluded from accessing the EITC but who contribute billions to New York's tax base annually.<sup>34</sup> In addition, the WFTC would be distributed on a quarterly basis, ensuring families receive support more regularly. The WFTC also increases the maximum benefit to \$1,600 per child, indexed to inflation, guarantees a \$500 per-child credit for all low- and middle-income families, eliminates the cap on the number of children who can be claimed, and extends eligibility to include 17-year-olds.<sup>35</sup> Together, these reforms would deliver more consistent and inclusive support for families facing economic insecurity.

## Strengthen SNAP and Invest in Critical Anti-Hunger Programs

Another key support for New Yorkers is the Supplemental Nutrition Assistance Program (SNAP). SNAP provides individuals and families across the state with food assistance. SNAP not only reduces hunger and improves nutrition, but it also reduces poverty, improves overall health outcomes, and stimulates local economies.<sup>36 37</sup> Nearly three million New Yorkers rely on SNAP to afford food, and approximately 1 million of these recipients are children.

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<sup>32</sup> Economic Policy Institute. (n.d.). *The unequal states of America: Income inequality in New York*. <https://www.epi.org/multimedia/unequal-states-of-america/#/New%20York>

<sup>33</sup> Forbes. (2025). *Forbes richest person in every state 2025*.

<https://www.forbes.com/sites/forbeswealthteam/2025/04/30/forbes-richest-person-in-every-state-2025/>

<sup>34</sup> Davis, C., Guzman, M., & Sifre, E. (2024). *Tax payments by undocumented immigrants*. Institute for Taxation and Economic Policy. <https://itep.org/undocumented-immigrants-taxes-2024/>

<sup>35</sup> New York Immigration Coalition. (n.d.). *The NY Working Families Tax Credit*. <https://www.nycic.org/our-work/campaigns/the-ny-working-families-tax-credit/>

<sup>36</sup> Carlson, S., & Llobrera, J. (2022). *SNAP is linked with improved health outcomes and lower health care costs*. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/food-assistance/snap-is-linked-with-improved-health-outcomes-and-lower-health-care-costs>

<sup>37</sup> Bolen, E., Wolkomir, E. (2020). *SNAP boosts retailers and local economies*. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/snap-boosts-retailers-and-local-economies>

Despite the overwhelming positive impact of SNAP, the federal government has abdicated its responsibility to ensure robust funding for the program, instead implementing draconian cuts to SNAP in the budget reconciliation bill (H.R.1), further exacerbating food insecurity and increasing demand for and strain on emergency food systems. These changes will threaten SNAP access for over 300,000 New Yorkers due to the expansion of time limits, eliminate SNAP eligibility for over 40,000 immigrants residing lawfully in New York, and shift \$200 million in SNAP administrative costs onto state and local agencies beginning in October 2026. These cuts, as well as the SNAP suspension during the recent government shutdown, highlight the need for New York to step up and mitigate the harm of these federal actions.

One way the state can do this is to increase the minimum SNAP benefit. Currently, some SNAP recipients receive as little as \$23 per month, barely enough for a single bag of groceries. Thus, the state must include \$100.1 million in the budget to provide a state supplement establishing a \$100 minimum SNAP benefit (Assembly Bill A.1318 (Gonzalez-Rojas) and Senate Bill S.665 (May)). This is one important step the state can take to reduce food insecurity, and the proposal has already earned the support of a bipartisan group of legislators.

In addition to this, it is critical that all New Yorkers are able to access food assistance, regardless of immigration status. However, federal law limits SNAP participation to U.S. citizens and certain lawfully present non-citizens, excluding over 800,000 income-eligible New Yorkers due to their citizenship status. This crisis is compounded by recent federal changes to SNAP, such as removing longstanding eligibility for refugees, asylees, and humanitarian parolees, and policies that actively target immigrants, who are disproportionately affected by food insecurity. To begin to rectify this, the state should invest \$244 million to establish a state-funded food benefit for two groups excluded from SNAP due to their immigration status:

- 41,000 individuals with recently excluded immigration statuses under H.R.1, such as survivors of domestic violence or human trafficking or those facing violence, poverty, and other dire circumstances in their home countries.
- 65,000 non-citizen households with children identified by CPRAC as excluded.

This new benefit would pave the way toward a future “SNAP for All” program (Assembly Bill A.6632 (Gonzalez-Rojas) and Senate Bill S.9033 (Rivera)) that is inclusive of all low-income New Yorkers who are unable to access SNAP due solely to their immigration status.

There is more the state should do to protect SNAP, including:

- **Supporting SNAP administration.** Effective October 2026, federal funding for SNAP administration will be cut in half, and local social service agencies are already struggling to keep up with SNAP applications and recertifications. Other changes, like expanded work reporting requirements and new eligibility rules, will worsen administrative burdens. The FY27 state budget must include sufficient funding to fill this gap.
- **Sustaining SNAP outreach and application assistance.** New York’s statewide network of SNAP navigators, the Nutrition Outreach and Education Program (NOEP), will also lose half of its federal funding beginning October 2026. This network of SNAP experts will be especially critical as families navigate complex program changes. In the absence of additional state funding, NOEP will

be forced to scale back its services. To sustain SNAP navigators statewide, the FY27 budget must fund NOEP at \$8.5 million.

- **Transitioning to more secure EBT chip cards to protect SNAP benefits.** More than 136,000 New York families have filed claims reporting electronic SNAP benefit theft since 2023, making New York the hardest-hit state in the nation. We support the Executive Budget proposal to transition to EBT chip cards, as this will mitigate theft and protect families' food benefits. The FY27 budget must include resources to purchase and distribute EBT chip cards and make necessary technology upgrades to enable the transition.

In addition to these important investments, we urge the legislature to prioritize additional investments in the state budget to improve food security for New Yorkers, including:

- **Special Supplemental Nutrition Program for Women, Infants, and Children (WIC):** WIC remains a critical nutrition and health support for New York children and their families. The FY27 budget must include \$30 million to alleviate ongoing budget shortfalls at local WIC agencies, equip statewide outreach, and sustain modernizations that make the program more efficient and accessible. This will help ensure that every eligible family can participate.
- **Hunger Prevention and Nutrition Assistance Program (HPNAP) and Nourish New York:** Statewide hunger relief programs are a lifeline for many New Yorkers struggling to afford the cost of food, and they reach families excluded from federal nutrition programs. The state must continue to support the work of hunger relief organizations by providing \$75 million for HPNAP and \$75 million for Nourish New York in the FY27 budget.
- **Double Up Food Bucks:** Through Double Up Food Bucks New York (DUFBNY), SNAP shoppers receive a dollar-for-dollar match on fresh fruits and vegetables at farm stands, farmers' markets, corner stores, and grocery stores. The program operates at more than 320 locations in 53 counties, supporting healthy nutrition for New Yorkers. The state should allocate \$3 million in the FY27 budget to support this vital program.
- **Universal School Meals and Summer EBT:** Thanks to a historic investment in the FY26 budget, 2.7 million New York students began this school year with free school breakfast and lunch. This program saves families time and money, eliminates stigma, and supports learning and health. Over the summer break, when many kids lose access to school meals, New York's commitment to operating Summer EBT has helped families bridge the gap. As families face cuts to other benefits and services, it will be especially critical to sustain these investments.

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 inequities the current benefits system. As one example, we must use comprehensive measures of need, such as the TCES, to determine eligibility for these programs so as not to allocate resources solely for basic subsistence but rather provide resources that ensure that individuals and families can thrive.

## Ensure Every Family Has Quality Childcare and Investing in the Childcare Workforce

Access to quality childcare is not only essential for individual families in New York, allowing parents to work, study, and get ahead, but it is also essential for the well-being of our communities and our state's economy. As the TCES shows us, childcare costs are one of the main drivers of economic insecurity for families with children, and a staggering 72 percent of families with children in New York City are economically insecure. At the same time, the childcare workforce, which is almost entirely comprised of women and disproportionately women of color, continues to be underpaid and undervalued despite the vital work they do each day. Some providers in New York are earning even less than the minimum wage.<sup>38</sup> This is unconscionable, and the current system is untenable.

We urge the state to continue its work to make universal childcare a reality. We applaud the historic investment in childcare made in the previous legislative sessions and the critical investments proposed by Governor Hochul in her Executive Budget proposal. However, the Governor's proposal leaves out perhaps the most critical investment: support for the childcare workforce. That is why we echo the asks of the Empire State Campaign for Child Care (ESCCC), a statewide coalition with over 100 member groups of parents, early childhood educators, and policy advocates, to allocate \$1.2 billion in the state budget to provide ongoing and reliable compensation supplements to all members of the child care workforce (Assembly Bill A.492A (Hevesi) and Senate Bill S.5533 (Brisport)). In addition, the state must develop a plan for subsequent years to establish a minimum pay scale and career ladder based on agreed-upon criteria to inform compensation supplement levels after the base pay scale for all has been increased.

Importantly, while we join the call for universal childcare, we recognize that universality does not and cannot exclude targeting resources to those with the greatest need to ensure equity. As New York moves closer to making universal childcare a reality, it is critical that the state prioritize low-income New Yorkers by ensuring that all families eligible for the Child Care Assistance Program (CCAP) receive it. Accordingly, we urge the legislature to adopt the Governor's proposed \$1.2 billion recurring investment in CCAP and add additional funding as needed to ensure no eligible families are turned away or placed on waitlists. To end the enrollment closures and waitlists for CCAP that are currently in place in more than 30 counties, this funding must be ongoing, because demand for CCAP is steadily growing. Further, the funds must be distributed to counties reliably, equitably, and efficiently.

We also urge the legislature to adopt the Governor's proposal to invest \$60 million to support Community Care models in three communities and add more funds, if necessary, with the following caveat. As pilots developed to test feasibility and build toward universal, statewide childcare, these programs must be centered in communities in which families are furthest away from achieving economic security. We welcome and support the Governor's plan to make participation in these models available to all families without means testing as a way of reducing the administrative burden on low-income families. This

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<sup>38</sup> Melodia, L. & Paredes, A. M. (2025). *Dignified pay for quality care: What New York's family child care providers need to thrive*. The New School, Center for New York City Affairs. <https://www.centrernyc.org/reports-briefs/dignified-pay-for-quality-care-what-new-yorks-family-child-care-providers-need-to-thrive>

universality, however, should not be a cover for targeting resources to higher income neighborhoods or families. In addition, we urge that the programs also be free from immigration status and work reporting requirements to best support all New York families.

Finally, we urge the legislature to adopt the Governor's proposal to invest approximately \$500 million to achieve truly universal Pre-K statewide for 4-year olds by the 2028-2029 school year, to create a uniform statewide Pre-K grant funded at the higher of either \$10,000 or the district's current selected Foundation Aid per pupil, and to support New York City in achieving truly universal 3-K. We also caution that expansions of Pre-K along with 3K and 2-Care in New York City must be undertaken in a manner that fully integrates center and home-based childcare programs to ensure that expansions do not unintentionally destabilize childcare programs and lead to an even greater shortage of infant and toddler seats. Integration of center and home-based childcare programs is also essential to ensuring that all neighborhoods, especially low-income and disinvested neighborhoods, are able to provide community-based, culturally relevant care.

## Help New Yorkers Afford the Cost of Housing

Safe, stable, and affordable housing is foundational to economic security, yet our state is experiencing a housing affordability crisis, as housing remains one of the highest costs for New Yorkers. According to a study by New York University's Furman Center, approximately 46 percent of New York State residents are renters. Of those renters, 53 percent are rent burdened (meaning they spend more than 30 percent of their income on rent and utilities) and approximately 27 percent pay more than half of their income on rent and utilities each month.<sup>39</sup> In addition, more than 158,000 New Yorkers experienced homelessness in 2024, and these numbers are on the rise.<sup>40</sup> The population of New Yorkers experiencing homelessness grew by a staggering 53.1 percent from January 2023 to January 2024, more than four times the rest of the nation.<sup>41</sup>

With the barrage of federal cuts, the state needs to invest in housing affordability. One important step that we urge the legislature to take is to include an additional \$200 million in this year's budget to expand on the \$50 million currently allocated for the Housing Access Voucher Program (HAVP) (Assembly Bill A.1704 (Rosenthal) and Senate Bill S.72 (Kavanagh)). This proposal, which was mirrored in CPRAC's recommendations, would create a state-funded rental assistance program that would provide housing vouchers to eligible low-income individuals and families who are homeless or who face an imminent loss of housing due to eviction, domestic violence, or hazardous conditions. Importantly, HAVP would be available to groups that are currently ineligible for local or federal rental assistance, including undocumented New Yorkers. Under this proposal, tenants pay 30 percent of income towards rent, with

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<sup>39</sup> Been, V., Dong, J., & Raetz, H. (2023). *Critical land use and housing issues for New York State in 2023*. NYU Furman Center. [https://furmancenter.org/files/publications/Critical\\_Land\\_Use\\_and\\_Housing\\_Issues\\_for\\_New\\_York\\_State\\_in\\_2023\\_Final.pdf](https://furmancenter.org/files/publications/Critical_Land_Use_and_Housing_Issues_for_New_York_State_in_2023_Final.pdf)

<sup>40</sup> Office of New York State Comptroller Thomas P. DiNapoli. (2025). *New Yorkers in need: Homelessness in New York State*. <https://www.osc.ny.gov/files/reports/pdf/new-yorkers-in-need-homelessness-nys.pdf>

<sup>41</sup> Ibid.

the rest covered by subsidies. The payment standard is set at 100 percent of Fair Market Rent (FMR), and at least 50 percent of all funding would be directed towards homeless families. Programs such as HAVP are essential to alleviating rent burden and ensuring that New Yorkers maintain stable housing.

## Protect Immigrant New Yorkers

At a time when ICE continues to terrorize communities across the country and tear families apart, the state has an obligation to protect immigrant New Yorkers from the lawless and cruel actions by the current administration. Immigrant New Yorkers must have equal protections and must be included in our vision for economic security. We urge the legislature to include Assembly Bill A.3506 (Reyes) and Senate Bill S.2235A (Gounardes) to prohibit specific New York State agencies and agents from questioning individuals regarding their citizenship or immigration status. Further, we urge the legislature to include Assembly Bill A.4181 (Reyes) and Senate Bill S.316 (Salazar) to prohibit governmental entities from entering into agreements to house individuals in immigration detention facilities, and this bill also requires governmental entities to terminate existing contracts for the detention of individuals in immigration detention facilities.

Finally, we urge the legislature to include Assembly Bill A.270 (Cruz) and Senate Bill S.141 (Hoylman-Sigal), which establishes the right to legal counsel in immigration court proceedings. When immigrants lack representation, it can be costly not only for them, but also the families and communities that rely upon them for economic, emotional, and physical well-being. 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 are forced return to dangerous circumstances in another country. Still, they are not guaranteed a lawyer if they cannot afford one. Investing in immigration legal services is necessary to ensure equity for all those who call New York home, and now more than ever, it is urgent that we invest in just, compassionate immigration policies.

## Advance Educational Equity in New York State

Research has long shown that Black and Latino students and students from high poverty areas disproportionately face systemic barriers to equitable educational attainment, which, in turn, result in compounding barriers in the workforce, including wage suppression and limited career growth. To address these long-standing disparities, FPWA formed the Faith in Education Initiative, a coalition of faith-based, community, and social justice organizations across New York State committed to building an equitable pipeline to higher education and high wage jobs for students from underserved communities. New York State can and should lead the way in expanding educational opportunity and access so that children, young people of color, and young people from high poverty neighborhoods—and by extension their families and communities—can experience unhindered economic opportunity, growth, and security.

One step that New York State can take to advance these goals is to adopt a robust Preschool-to-Workforce Statewide Longitudinal Data System (SLDS). This new system would provide:

- **Data-Driven Solutions:** Pinpoint interventions for children, young people, and young adults who are falling behind.
- **Holistic Connections:** Link data across agencies to provide a complete view of educational and workforce pathways.
- **Equity-Focused Insights:** Shed light on disparities in educational access, attainment, and workforce outcomes.

Another key step that New York State can take is to increase funding for financial support to college students. Too many college students in New York are struggling to afford the high cost of day-to-day needs like food, housing, transportation, and childcare. In fact, nearly half of New York public college students have faced food insecurity, and one in five have struggled with housing insecurity, yet support services remain inadequate.<sup>42</sup> Unexpected events and emergencies exacerbate these challenges, forcing students to choose between paying their bills or paying tuition.

To address these gaps, we urge New York State to provide robust, sustainable funding for the Emergency Student Aid Program at all SUNY and CUNY campuses and remove administrative barriers and red tape for students in need of aid. This dual approach aims to shift the system from reactive crisis management to a proactive, holistic model where financial lifelines are seamlessly integrated to help keep students on track. As part of the FY27 Executive Budget, Governor Hochul proposed investing \$1 million to establish new emergency aid funds for SUNY (\$600,000) and CUNY (\$400,000) students and directing SUNY and CUNY to develop systemwide policies for how the emergency money is used. While we applaud the Governor for including this in her budget proposal, this funding falls short of the need. Thus, we urge the legislature to prioritize a more robust proposal, Senate Bill S.9044 (Gounardes), that requires the state to create a matching grant fund for SUNY and CUNY students, which would allow for a more robustly funded program.

## Conclusion

Making the investments outlined in our testimony would put New York on a path to ensuring economic security for all. These investments must not be one-off but rather will require a strong, sustained commitment from both Governor Hochul and the New York State Legislature to prioritize equitable investments in New York communities that seed opportunity and growth for individuals and families across the state. We thank you for your time and attention to these critical issues, and FPWA looks forward to working with you to make meaningful investments in the economic security of New Yorkers in the FY27 state budget.

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<sup>42</sup> New York State Postsecondary Basic Needs Coalition. (2025). *Centering student survival in policy and practice*. Younginvincibles.org. <https://younginvincibles.org/2025/08/25/new-york-state-postsecondary-basic-needs-coalition/>