

1 BEFORE THE NEW YORK STATE SENATE
2 STANDING COMMITTEE ON SOCIAL SERVICES

3 PUBLIC HEARING
4 TO IDENTIFY GAPS IN THE DELIVERY OF SOCIAL SERVICES
5 IN NEW YORK STATE

6
7 Pearl River Public Library
8 80 Franklin Street
9 Pearl River, New York 10965

10 July 30, 2015
11 1:00 p.m. to 3:30 p.m.

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13 PRESIDING:

14 Senator David L. Carlucci
15 Chair
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23
24
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		PAGE	QUESTIONS
1	SPEAKERS:		
2			
3	Susan Sherwood	4	13
4	Commissioner Rockland County Department of Social Services		
5	Steve Piasecki	17	21
6	Upstate Member Services Coordinator Supportive Housing Network of New York State		
7			
8	Susan Antos	29	33
9	Senior Staff Attorney Empire Justice Center		
10	Ken Stephens	51	58
11	Attorney Legal Aid Society		
12	Tracie Robinson	69	79
13	Policy Analyst Human Services Council of New York		
14	Carmelita Cruz	82	87
15	Director of NYS Advocacy & Organizing Housing Works		
16	Mary Ellen Natale	91	
17	Deputy Director Legal Aid Society of Rockland County		

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1 SENATOR CARLUCCI: Good afternoon.

2 I want to welcome everyone to our hearing for
3 the Senate Committee on Social Services.

4 I'm Senator David Carlucci, the Chairman of
5 the Committee on Social Services.

6 And, I want to thank everyone for spending
7 their time with us today.

8 The idea here is to address some of the main
9 concerns in delivering social services around
10 New York State.

11 And the goal here today is to meet with the
12 people on the front lines, to get on the record some
13 of the problems that you're having, some of the
14 suggestions, so that we can really have a plan of
15 action moving into the next legislative session.

16 And the idea is to really work as a team, to
17 get everyone on board, so we can really figure out
18 and prioritize what we can do on a legislative level
19 to help make sure that you can do your jobs as
20 effectively as possible.

21 You know, if we exchange ideas, I think it's
22 extremely powerful, and I'm excited to hear from
23 each of you.

24 So with that, we'll get right into it.

25 We'll keep it pretty informal, as I'm the

1 only legislative person here right now. So, we can
2 move through it quickly and keep it on an informal
3 basis.

4 Our first speaker is Susan Sherwood, who is
5 the Commissioner of Rockland County Department of
6 Social Services.

7 Commissioner, thanks for being with us today.

8 COMM. SUSAN SHERWOOD: Well, thank you.

9 I'm pleased to be here, and I think this is a
10 wonderful opportunity in what you're doing, in
11 planning to go around the state and speak directly
12 with the local districts and the local providers of
13 services.

14 So, I really do appreciate this opportunity
15 to speak to you today on behalf of the clients and
16 the employees of the Rockland County Department of
17 Social Services.

18 Our clients, approximately 93,000
19 Rocklanders, currently rely on one or more of our
20 economic supports, such as Medicaid, SNAP or food
21 stamps, HEAP, the child-care subsidy program
22 employment assistance, or use one or more of our
23 human services, such as child welfare, CPS, adult
24 protective services, or child-support enforcement.

25 The Rockland district, in working with the

1 many families from across Rockland's diverse
2 communities, sees firsthand the needs of our
3 residents and the difficulties they have with
4 meeting complex social and economic needs.

5 Most programs and services, however, are
6 fragmented, and users need guidance in accessing
7 them, understanding them, and complying with them.

8 They face language barriers, transportation
9 difficulties, cultural differences, and need much
10 more help with navigation and case management.

11 Rockland County government and the many
12 wonderful not-for-profits in our county do provide a
13 rich menu of services, but the burden is too often
14 on a client in need and in stressful times to find
15 them and access them.

16 The need for coordination of services,
17 similar to what is happening in health care today,
18 is becoming more and more obvious to our workers.

19 Additional affordable rental housing is
20 needed in Rockland County.

21 Our stock of affordable renting units is very
22 low. And even affordable here is relatively
23 high-priced, and current public-assistance grants
24 and shelter allowances are far below actual living
25 and rent expenses.

1 The monthly maximum shelter allowance for a
2 family of two in Rockland County is \$350.

3 Where can you rent an apartment for \$350 per
4 month in Rockland County?

5 But the urgent need for supportive and
6 transitional housing for our difficult-to-place
7 populations, the medically frail, and those with
8 behavioral-health issues is even more problematic.
9 And the reimbursement rate for those facilities is
10 very, very low.

11 I will defer on issues of the unmet needs for
12 our residents with mental-health, behavioral-health,
13 substance-abuse issues, to my colleagues with
14 professional expertise in the field, but, the
15 absence of good supports for our residents with
16 these challenges, and the families who struggle
17 daily to care for them, is interwoven in and
18 complicating every other social problem we see
19 across every program we manage, and is preventing
20 self-sufficiency.

21 These individuals represent a large
22 proportion of our client base in all our programs,
23 comprise much our homeless population. Many
24 mentally-ill homeless individuals without community
25 supports end up in our county jail.

1 DSS has embedded a handful of psychiatric
2 social workers within our staff and situated them in
3 key units: temporary assistance, employment,
4 children's services, and adult protective services.

5 But we recommend the integration even further
6 of mental health and social services, because we
7 believe that we are seeing the fallout of the
8 decrease of New York State's support for community
9 mental-health services, and we are becoming,
10 de facto, the new department of mental health.

11 For our temporary-assistance clients, work
12 training and employment opportunities are somewhat
13 limited in Rockland County, because our unemployment
14 rate is low, and we do not have a large number of
15 entry-level and unskilled jobs.

16 Adding to that already existing gap, and
17 since the recession, able-bodied adults without
18 dependents, "ABAWD" is what they're called, in
19 New York State were, and are currently, exempt from
20 participating in work activities in order to receive
21 SNAP.

22 As the New York State unemployment rate has
23 improved, this exemption is scheduled to end
24 December 31st this year, and beginning then, our
25 employment unit will need to begin working directly

1 with these individuals -- we estimate another
2 1200 clients -- to find jobs or participate in
3 employment activities.

4 We believe this is the right course of
5 action, ultimately, for both the client and the
6 community, but it will be difficult to gear up to
7 meet the demand without help.

8 If we or the client is unsuccessful, that
9 individual will suffer, because then they will only
10 be eligible to receive SNAP assistance for just
11 three months in a three-year period.

12 Additional staff, as well as more
13 public-private partnerships that provide job
14 coaches, subsidized employment, and mentoring
15 programs, will be required.

16 Again, additional mental-health services will
17 also be necessary, as mental-health issues continue
18 to be barriers to employment and participation in
19 employment activities.

20 Of most concern are the unmet needs of
21 children and family.

22 For us, it really is kids first.

23 We believe in, and know we need, early
24 education, quality child care, after-school
25 programs, mentoring programs, enhanced educational

1 social and cultural opportunities, for all our kids,
2 but particularly for those in our poorer communities
3 whose parents cannot provide as much on their own.

4 But we also see such a great need for
5 parental education and support.

6 Programs that could interlace with social
7 services and provide help to the families our
8 caseworkers are working with would be a wonderful
9 support.

10 DSS should have the funds available to offer
11 additional complementary support programs to the
12 families that we are working with.

13 The large number of undocumented immigrants
14 living in Rockland County have a multitude of needs
15 that our programs cannot, by federal regulations,
16 provide.

17 Without the valued assistance of community
18 agencies and partners, like Catholic Charities,
19 Helping Hands, HACSO, The Immigrant Coalition, DCS,
20 Legal Aid, People to People, and others, our
21 Rockland community would see many more tragic
22 instances of hardship and neglect.

23 Speaking for the County and DSS, I would like
24 to thank the partners that we have in the different
25 communities and constituencies across

1 Rockland County for the work they do and their
2 willingness to work with us; and to express a plea,
3 on their behalf, for both an increase and for
4 stability in their funding, to enable them to
5 continue to assist the newest among us.

6 We in Rockland see much opportunities for
7 smarter program designed to help more clients to
8 better outcomes, and, to save taxpayer funds.

9 Savings from reducing fraud, waste, and abuse
10 in our eligibility programs should be reinvested in
11 the kind of worthwhile programs that I have spoken
12 of above.

13 To that end, I speak specifically of
14 Medicaid.

15 Rockland County currently has approximately
16 28 percent of its population now receiving Medicaid,
17 with the numbers growing each and every month.

18 This worthwhile program for the most needy
19 has now expanded, particularly with the
20 Affordable Care Act implementation and the
21 institution last year of the New York State of
22 Health Exchange, to a point where it may become
23 unsustainable.

24 Approximately 70 percent of the New York
25 health-exchange enrollees are receiving Medicaid,

1 and only 30 percent are entering the paid and
2 subsidized plans.

3 The growth in the Medicaid numbers in
4 Rockland mirror the growth in the population in our
5 federal census poverty tracts.

6 This is not fraud, as too often alleged, but
7 it is high use, and it is troubling as to its
8 sustainability.

9 The State of New York should take over the
10 entire payment for Medicaid with no local share to
11 the counties who have no input into the regulations
12 and no legal ability to make local changes.

13 Rockland County is, I believe, the first
14 county in New York to urge our federal and state
15 elected officials to take a better look at the
16 Medicaid program and consider some commonsense
17 reform.

18 Under the direction of County Executive
19 Ed Day, and with the assistance and advice of
20 District Attorney Tom Zugibe, with whom our
21 DSS special investigations unit has a successful and
22 effective working partnership to prevent, detect,
23 and prosecute fraud, we developed a series of
24 recommendations that were considered by and
25 ultimately adopted unanimously by the

1 Rockland County Legislature.

2 Memorializing Resolution Number 282 of this
3 year, urged the United States Congress and the
4 New York State Legislature:

5 To strengthen guidelines for the distribution
6 of Medicaid services and to prevent Medicaid fraud,
7 waste, and abuse;

8 To require resource testing of applicants;

9 To require more in-person interaction with
10 Medicaid staff;

11 Requiring that the New York State Medicaid
12 inspective (sic) general partner with the counties
13 to develop a process aimed at preventing Medicaid
14 fraud from online applications.

15 Local districts are aware of no front-end
16 fraud-prevention controls on the New York health
17 exchange.

18 That deeply concerns us.

19 These are but a few of the recommendations
20 included in memorializing Resolution 282.

21 Copies of this resolution were sent to
22 designated members of our executive and legislative
23 branches of government in June of this year, and
24 I have attached copies to my testimony.

25 Thank you for allowing me to highlight some

1 of the many gaps in the delivery of social services
2 in Rockland County and tell you what we see on the
3 ground.

4 As always, we appreciate your support and
5 consideration.

6 Thank you, Senator.

7 SENATOR CARLUCCI: Great.

8 Thank you, Commissioner. I really appreciate
9 that testimony.

10 One question I had is, the numbers that you
11 gave were very helpful.

12 You talked about 28 percent of Rockland
13 residents are on -- receiving Medicaid.

14 COMM. SUSAN SHERWOOD: Yes.

15 SENATOR CARLUCCI: You talked about that
16 it's -- really, there's not an issue of fraud.

17 COMM. SUSAN SHERWOOD: There's always some
18 programs in -- fraud in every program that's
19 provided.

20 SENATOR CARLUCCI: Right.

21 COMM. SUSAN SHERWOOD: I mean, that's
22 inherent in, you know, what people do, sadly, but,
23 it is not an enormous percentage.

24 We estimate, the standard rule of thumb in
25 all programs, is approximately 10 percent.

1 So even if that's true, that's still a lot,
2 and it should be avoided. And everything saved is
3 saved for the right reasons: to save money, defend
4 the program integrity.

5 But what we see here is not rampant fraud.

6 SENATOR CARLUCCI: Right.

7 Because the reason why I ask is, because
8 then, when the recommendations, in memorializing
9 Resolution 282 --

10 COMM. SUSAN SHERWOOD: Right.

11 SENATOR CARLUCCI: -- it sounds like that's,
12 basically, going after fraud in that memorializing
13 resolution --

14 COMM. SUSAN SHERWOOD: Well, it is in that
15 sense. And also -- indeed it is, and to protect the
16 program.

17 Some of the recommendations in there are
18 things like, yes, programs should be looked at in a
19 way that is not, perhaps, quite as easy.

20 You know, applications now can be submitted,
21 right now, anywhere in the world, online, with no
22 documentation presented at the time.

23 There's a lot of attestation that's done.

24 SENATOR CARLUCCI: See, and that's where I --

25 COMM. SUSAN SHERWOOD: And it needs to be

1 looked at, because now we're not seeing those frond
2 ends kick out the way they are for a higher look.

3 When applicants came in and we worked with
4 them directly, we were able to stop something at the
5 door, even if it was a mistake, and give somebody a
6 chance to correct themselves, or for to us say, This
7 isn't going to work.

8 But if people go automatically onto the
9 system, it could be months, it could be years,
10 before something is found, and then it's very
11 difficult to go back and correct it then.

12 SENATOR CARLUCCI: So this could be a way to
13 integrate the need, as you started the testimony,
14 talking about the unique needs, in terms of cultural
15 language, transportation, in terms of providing
16 people with the right benefits?

17 COMM. SUSAN SHERWOOD: Indeed.

18 SENATOR CARLUCCI: So you believe, by doing
19 that, we could also weed out some of the fraud or
20 abuse as well, by making sure that we're better able
21 to allow people to access the programs that they
22 deserve and need?

23 COMM. SUSAN SHERWOOD: We really do.

24 If people are applying all by themselves
25 online and missing that human contact, my

1 caseworkers tell me, you know, When you're speaking
2 face to face with someone, you can find other needs,
3 you can build a relationship. You can also find
4 inconsistencies between programs.

5 So, we need to start treating people as more
6 human beings, with a range of services and needs.

7 SENATOR CARLUCCI: So as the commissioner
8 that's doing this on the front lines, how do we do
9 that?

10 COMM. SUSAN SHERWOOD: Well, then it becomes
11 tricky --

12 SENATOR CARLUCCI: Right.

13 COMM. SUSAN SHERWOOD: -- and that's why it
14 needs to be a partnership. There needs to be a
15 balance between ease of access, technology, and that
16 human touch.

17 I mean, there's a phrase that says, The more
18 high tech, the more human touch is needed.

19 So, I think a discussion could be made about
20 the kinds of cases that perhaps the local district
21 is involved in.

22 Perhaps there are cases that have been on the
23 record for a while.

24 If someone is getting food stamps, for
25 example, for a year, and then they -- which is what

1 we hope, they move up and move on, that's fine.

2 But if someone is lingering, they're coming
3 on and off the file, if something is noted that
4 would trigger that look; other programs they're
5 accessing, for example, there may be a way that some
6 of those particular clients, let's call them
7 "tentatively high-need," "or high-risk," could be
8 kind of identified for some second look.

9 It's really worthy of a conversation.

10 We can't just make everything be an ATM where
11 nobody ever sees a human being anymore.

12 This is human services.

13 SENATOR CARLUCCI: Right.

14 Well, Commissioner, thank you so much, and
15 look forward to working with you on these issues.

16 COMM. SUSAN SHERWOOD: You're very welcome.

17 It's a pleasure.

18 Thank you.

19 SENATOR CARLUCCI: We have our next speaker,
20 Steve Piasecki, who's the upstate member services
21 coordinator for Supportive Housing Network of
22 New York State.

23 Thank you for coming.

24 STEVEN PIASECKI: Thank you.

25 Thank you, Senator.

1 Appreciate the opportunity to testify here
2 today, and be in Rockland County.

3 I am Steve Piasecki. I'm the upstate member
4 services coordinator of the Supportive Housing
5 Network of New York.

6 The network is a statewide organization that
7 represents over 200 non-for-profit developers and
8 social-services providers who run over 50,000 units
9 of supportive housing throughout the state.

10 Supportive housing is permanent, affordable
11 rental housing linked to on-site services, and it's
12 the most effective -- most cost-effective and humane
13 way to provide a safe, stable home for homeless
14 individuals and families living with disabilities or
15 other barriers to finding and maintaining housing on
16 their own.

17 The people who come to live in supportive
18 housing: chronically homeless people, people with
19 HIV/AIDS, mental-health issues or other disabling
20 conditions, individuals leaving prisons or other
21 institutions, youth aging out of foster care, and,
22 now, veterans returning from combat.

23 When left homeless, they cycle in and out of
24 expensive emergency services, like shelters,
25 hospitals, prisons, and psychiatric centers.

1 These publicly-funded interventions are
2 significantly more expensive --

3 (Interruption, cell phone ringing.)

4 STEVEN PIASECKI: Oh, gesh. I'm embarrassed.

5 Sorry about that.

6 Just rolled in from Albany today.

7 Let's see.

8 So they're significantly more expensive than
9 supportive housing.

10 Some of the -- some things, like psychiatric
11 centers cost, more than \$1,000 a day, which is
12 20 times more than the cost of supportive housing.

13 My testimony today is about the homelessness
14 crisis in New York State, and why statewide
15 supportive housing agreements of those 35,000 units
16 of supportive housing is critical to helping win
17 this battle.

18 1 out of every 7 homeless people in the
19 United States lives in New York State. Statewide,
20 there are, roughly, 67,000 men, women, and children
21 staying in shelters at any given time.

22 In New York City alone, over 59,000 people,
23 including 24,000 children, sleep in a homeless
24 shelter every night.

25 An additional 7,700 people stay in shelters

1 outside New York City.

2 Thousands of others sleep on the street or in
3 abandoned buildings or in makeshift campsites, while
4 thousands more exit foster care, hospitals, or --
5 and other institutions each year without a home.

6 Supportive housing is, by far, the most
7 successful way to end homelessness for individuals and
8 families living with disabilities and other
9 challenges; however, there is not enough -- not
10 nearly enough supply to meet the record need.

11 4 out every 5 people found eligible for
12 supportive housing in New York City have to stay in
13 a shelter or on the street because there are too few
14 supportive housing units available to meet the need.

15 Outside New York City, where there have been
16 no New York/New York programs, there are even fewer
17 resources.

18 To make matters worse, the Supportive Housing
19 Production Initiative in New York City, which is the
20 New York/New York three agreements -- this last one
21 was a 10-year agreement to build 9,000 units -- is
22 rapidly coming to an end, and there is about
23 100 units left to be awarded and implemented on that
24 agreement here in the --

25

1 SENATOR CARLUCCI: Now, has the Supportive
2 Housing Network been involved in all of those?

3 STEVEN PIASECKI: Yes.

4 We have been active in all three agreements.

5 The three started about 25 years ago in
6 New York City.

7 All of them have been in New York City, and
8 they started with 1,000 units, 2,000 units, and the
9 last one, 10 years ago, was 9,000 units.

10 Also, I'll say the last one expanded in the
11 types of disability populations that could be
12 served.

13 The first two were all strictly mental
14 health. And the last one expanded to HIV/AIDS and
15 substance abuse, and also, for the first time,
16 families.

17 SENATOR CARLUCCI: Now, you're the upstate
18 coordinator?

19 STEVEN PIASECKI: Yes, so this must be
20 upstate.

21 SENATOR CARLUCCI: Yeah, well, it depends on
22 who you ask; right?

23 STEVEN PIASECKI: Exactly.

24 SENATOR CARLUCCI: So what -- how does that
25 correlate with New York/New York, in terms of --

1 STEVEN PIASECKI: What I want to get to, and
2 I can paraphrase here, the Governor proposed in the
3 last budget to do a New York/New York agreement, but
4 he wanted to make it statewide, which was really
5 heartening.

6 We all would love to see it, something that
7 could be spread throughout the state.

8 So he proposed a small -- what we like to say
9 is a small down payment on that, 5,000 units, funded
10 initially through JPMorgan money.

11 Of those 5,000 units, the split was, roughly,
12 1,000 for upstate, meaning, everything outside of
13 New York City, for our purposes; and then 4,000 in
14 New York State.

15 So we've taken a lot of time looking at, you
16 know, what the need is.

17 And the fact is, that, you know, there's a
18 vast majority, something north of 80 percent, of the
19 homeless people are in New York City.

20 But, we still would love to be able to
21 address, in a very targeted fashion, the need in the
22 rest of the state. And --

23 SENATOR CARLUCCI: Does the
24 Supportive Housing Network have a number in terms of
25 what you believe the need is?

1 STEVEN PIASECKI: Well, we're asking -- and
2 we're part of a larger coalition as well. We're
3 asking for 35 units -- 35,000 units across the whole
4 state, of which 5,000 would be outside of
5 New York City.

6 And we really bore down a lot, to take a look
7 and see if that makes sense, if it's doable.

8 A lot of what we're looking for are some
9 incremental increases and ongoing support from
10 various parts of local government, including the
11 HHAP program to build it.

12 And there are a few programs, but in the
13 New York State Supportive Housing Program, which is
14 funded through Social Services, through OTDA, is a
15 significant player, particularly outside the state,
16 in providing the on-site supports to make it work.

17 Does that answer your question?

18 SENATOR CARLUCCI: Yeah, thank you.

19 STEVEN PIASECKI: Great.

20 So there's more details, and maybe I'll just
21 leave it, to have you read the testimony later
22 today.

23 You know, we're really hopeful, moving
24 forward, that we can get support from the Senate.

25 We've gotten a lot of support from the

1 Assembly.

2 Like I said, an initial down payment from the
3 Governor's Office, but we're really encouraging an
4 expansion, to really --

5 SENATOR CARLUCCI: And what you're referring
6 to, in terms of support, is the support of the
7 35,000 units?

8 STEVEN PIASECKI: Yes.

9 SENATOR CARLUCCI: Okay.

10 STEVEN PIASECKI: Exactly.

11 SENATOR CARLUCCI: Right.

12 And you're confident that, 5,000 for the rest
13 of the New York is sufficient; 30,00 for New York
14 City?

15 STEVEN PIASECKI: I think 5,000 is a very
16 realistic --

17 SENATOR CARLUCCI: Well, realistic -- this is
18 one part that I'm a little confused on.

19 In terms of what you believe the need is, and
20 what's realistic, how about, what you're saying is,
21 the vision, what do we want? And then we can talk,
22 about, you know, being realistic, and bringing it
23 up.

24 Because, obviously, we haven't had anything
25 until --

1 STEVEN PIASECKI: Right.

2 SENATOR CARLUCCI: -- this newer --

3 STEVEN PIASECKI: Yeah, I mean, I think 5,000
4 would really, particularly because the way we're
5 working now is targeting resources to the people
6 most in need. It's not a waiting-list model.

7 And all of the continuum cares around the
8 state, the local groups that get together around
9 homelessness, they do an assessment of what the
10 homelessness number is. But they actually then
11 spend a lot of time targeting the resources, which
12 are limited, some of them are federal, to the
13 neediest people.

14 So I think that 5,000 for the rest of the
15 state will solve the problem of chronic
16 homelessness, really get at some of the people who
17 have the largest amounts of expenses to other
18 systems, and make a dramatic difference.

19 I'm not saying homelessness goes away and
20 never comes back.

21 I'm saying any incidences of homelessness
22 would be brief, and addressed promptly, so people
23 won't languish in the shelters or in these other
24 high-need sites, expenses -- high-expensive systems.

25 SENATOR CARLUCCI: Great.

1 And how do you work, or -- with the homeless
2 shelters in terms of, maybe, thoughts on the shelter
3 allowance?

4 STEVEN PIASECKI: In terms of -- there are --
5 communities, I know, like Westchester across the
6 river, have provided additional resources to the
7 shelter allowance for people moving into supportive
8 housing.

9 They see it as a means of really
10 cost-effectively addressing the overall homelessness
11 issues.

12 So our -- you know, typically, our members
13 are taking referrals directly from shelters; a lot
14 of times directly from the streets.

15 Like I say, communities right now are
16 developing pretty sophisticated systems of
17 centralized intake into the homeless system.

18 So there are models where there's "no wrong
19 door" approach. So wherever you present yourself as
20 homeless, your information will be taken and, you
21 know, your case can move forward.

22 Or, you know, that's like a -- or a
23 centralized one, you know, one-stop, where everybody
24 knows to go to access it.

25 So that's -- so the idea is, and in a lot of

1 cases, homelessness has -- the amount of times that
2 people are staying in shelters, and this is outside
3 the city more than in New York City, are decreasing.

4 There are programs now, also some of the
5 programs that are funded through OTDA, that are
6 rapid rehousing.

7 So for folks that aren't disabled, that don't
8 have chronic homelessness, the idea is to not look
9 for a lengthy shelter placement, but to actually
10 move people back into permanent housing as quickly
11 as possible, or, in some cases, prevent homelessness
12 for people that are becoming evicted, who are
13 one-time interventions. That's the OTDA Step
14 Program.

15 So that's another resource.

16 So the way the system is sort of -- is
17 designed and rolling out, is there are short-term,
18 brief, one-time, titrated interventions for folks
19 who are presenting with an acute need, but not a
20 chronic need.

21 And then there are -- you know, supportive
22 housing is really the answer for the folks that
23 have -- need more complicated circumstances, that
24 really need ongoing support, in order to make their
25 housing placement work.

1 SENATOR CARLUCCI: And would you -- you serve
2 both spectrums?

3 STEVEN PIASECKI: Well, our members do
4 supportive housing, but, a lot of the times, our
5 members do everything.

6 We have members that do transitional housing.

7 We have members who are involved in this sort
8 of rapid-rehousing intervention that I'm talking
9 about.

10 SENATOR CARLUCCI: Okay.

11 STEVEN PIASECKI: So -- but we're primarily
12 focused on that end of the spectrum, that is
13 targeted to people who have multiple disabilities.

14 Really, the folks that have a hard -- have a
15 long history of not being able to successfully stay
16 housed in any other situations, that's how our
17 network got a start many, many years ago.

18 SENATOR CARLUCCI: Now, before you leave, are
19 there any other recommendations that you would like
20 to put out for the supportive housing?

21 STEVEN PIASECKI: That is the only one that
22 I'm here today --

23 SENATOR CARLUCCI: Okay.

24 STEVEN PIASECKI: -- with reference to the
25 Department of Social Services, the OTDA part of

1 government, and the social services committee.

2 SENATOR CARLUCCI: Okay. Great.

3 Well, Mr. Piasecki, thank you so much for
4 being with us.

5 STEVEN PIASECKI: Thank you.

6 SENATOR CARLUCCI: We look forward to working
7 with you.

8 STEVEN PIASECKI: Great you.

9 SENATOR CARLUCCI: Our next speaker is
10 Susan Antos, the senior staff attorney for
11 Empire Justice Center.

12 SUSAN ANTOS: Good afternoon.

13 SENATOR CARLUCCI: Good afternoon.

14 SUSAN ANTOS: Good afternoon, and thank you
15 for having this hearing.

16 It's so important to be able to, especially
17 off-session when things aren't so crazy, to be able
18 to have a little time to talk about some of the
19 issues, particularly identifying gaps in the
20 social-services system.

21 My name is Susan Antos, and I'm a senior
22 staff attorney at Empire Justice.

23 We're a support center for legal-aid and
24 legal-services offices across the state.

25 We work cooperatively with the New York City

1 folks, but we're not a support center for the
2 New York City folks.

3 The -- we practice in areas that go beyond
4 public benefits, but I'm one of the public-benefits
5 attorneys in our office.

6 We also do civil rights, disability law,
7 immigration, consumer, but there are, essentially,
8 three or four of us that focus on public-benefits
9 issues.

10 The issue that I want to focus on today is a
11 gap in the delivery of social services that has to
12 do with eligibility for people who really only need
13 "temporary assistance," which is what we call it
14 now.

15 I -- we've written a report, I've given you a
16 copy of it, called "Driven Into Poverty," and it's,
17 "How New York's Asset Tests Keep People Poor."

18 And before we get down to the local level,
19 I kind of want to take up to 30,000 feet, and talk a
20 little bit about policy in general, about keeping
21 people out of poverty.

22 As a whole, as a nation, we are more and more
23 encouraging people to do asset-building, to save,
24 particularly for retirement, for home ownership, for
25 their children's education.

1 Our tax code creates many incentives for
2 people to do these things. They are touted as a
3 critical tool in keeping people out of poverty and
4 in shoring up a real middle-class.

5 However, there is a real double-standard when
6 it comes to low-income people and poverty programs.

7 When low-income people squirrel away money,
8 either for education or for buying a home or they --
9 or for buying a car, and then they hit hard times
10 and apply for public assistance, they are required
11 to, essentially, divest themselves of resources --
12 and I'm going to talk about the details in a
13 minute -- which then make it harder for them to get
14 out of poverty.

15 On the cover of our report is a real person
16 who really, really wants us to use his name, because
17 he's very mad.

18 His name is Anthony Lapika (ph.). He lives
19 up in Madison County. He worked for 35 years as a
20 stone mason, and built a nice little individual
21 retirement account that he thought was going to
22 support him in his old age.

23 And what happened was, he ended up throwing
24 out his back, which isn't really good for a stone
25 mason, very severely. It required significant

1 surgeries, and he was not able to work anymore.

2 We do have -- because he reported his wages,
3 we do have a social security disability system, so
4 he's now in receipt of social security disability
5 supporting him.

6 He gets that in about the amount of \$950 a
7 month.

8 But from the time he stopped working, until
9 the time his social security came through, he had no
10 income at all.

11 He owned his own home.

12 And, when we went to the Department of Social
13 Services to ask for help, they said, You have an
14 IRA. Sorry, you have to liquidate that IRA.

15 So as you may know, when you liquidate an
16 IRA, first off, 10 percent off the top is a penalty
17 because he wasn't yet 59 1/2 when this happened;
18 and, secondly, he had to pay taxes on it.

19 He supported himself with the remainder,
20 until it was gone.

21 Fortunately for him, he only had a couple of
22 months after it was gone and then his
23 social security came through.

24 But now he only lives -- and he's in his
25 60s now, he only lives on his \$930 a month in

1 social security.

2 And his roof just fell in during one of these
3 big storms we had.

4 He's on a five-year waiting list for some
5 community program that will help him rebuild his
6 roof, and now he has buckets all over his house.

7 SENATOR CARLUCCI: And since we're talking
8 about this individual, did he have a pension that he
9 was involved with?

10 SUSAN ANTOS: No, no. He was a self-employed
11 stone mason, so he --

12 SENATOR CARLUCCI: He was self-employed.
13 Okay.

14 SUSAN ANTOS: -- so he -- but he created an
15 IRA for himself for a retirement account.

16 So if he had that IRA, we would have had a
17 little bit of a cushion above and beyond his
18 social security. But in order to make him eligible
19 for public assistance, he --

20 SENATOR CARLUCCI: So is one of the
21 strategies saying that, if you meet these criteria,
22 that you wouldn't have to pay that penalty? Or
23 maybe that --

24 SUSAN ANTOS: No. Our -- we're actually
25 bolder.

1 Our proposal is that IRAs should be exempt
2 when people apply for public assistance.

3 SENATOR CARLUCCI: Okay.

4 SUSAN ANTOS: And in your materials
5 I identify, there are 20 states -- this is not a
6 very radical proposal -- there are 20 states,
7 including California and a number of other states,
8 that have exempted IRAs and other retirement
9 accounts for people who apply for public assistance,
10 understanding that people hit rough times.

11 And if you look through fair hearings that
12 the Department of Social -- the Office of Temporary
13 Disability Assistance has, you'll see that this
14 isn't a unique situation.

15 And in our experience, most of the folks that
16 get penalized this way are people who have hit hard
17 times and probably will only need temporary
18 assistance. But this cushion will allow them in
19 their old age to, essentially, be supported by their
20 savings instead of the government.

21 SENATOR CARLUCCI: So the proposal, and how
22 it is in these 20 states, is that it would be
23 completely exempt, the IRA?

24 SUSAN ANTOS: That's correct.

25 SENATOR CARLUCCI: And they wouldn't access

1 it until they meet the eligibility to make
2 withdrawals, and, in the meantime, they would be
3 eligible for benefits?

4 SUSAN ANTOS: That's correct.

5 So all -- of the 20 states that have waived
6 the "resource" rule, 19 of them exempt IRAs
7 totally.

8 Tennessee has a \$20,000 cap, so they will
9 only exempt IRAs under \$20,000.

10 But, the other 19 states exempt them.

11 SENATOR CARLUCCI: Completely?

12 SUSAN ANTOS: Completely.

13 SENATOR CARLUCCI: Tennessee is the only one
14 with that scale then?

15 SUSAN ANTOS: Yes.

16 SENATOR CARLUCCI: Interesting. Wow.

17 SUSAN ANTOS: Yes.

18 So the other thing -- the other thing
19 I wanted to bring to your attention is that, looking
20 at New Yorkers as a whole, it's a sort of shocking
21 figure that over 44 percent of New Yorkers do not
22 have enough savings to go three months.

23 And so looking at that, as a state, we should
24 say: What can we do to encourage savings? What can
25 we do to encourage people to have a safety net?

1 More and more states are saying, we need to
2 encourage savings, we need to encourage support.

3 Since 1996, when the Temporary Assistance to
4 Needy Families Block Grant went into effect and
5 allowed states to set their own eligibility rules,
6 eight states have eliminated the asset test for
7 people applying for public-assistance benefits
8 altogether; any asset test, not just retirement
9 accounts.

10 And in your -- in the papers I gave you,
11 there's a little info-graphic with those states.

12 And the interesting thing about states,
13 I know the worry is that, Well, if we eliminate the
14 asset tests, we're going to increase caseloads.

15 There have been follow-up studies in five of
16 the states -- Alabama, Colorado, Louisiana,
17 Virginia, and Michigan -- who -- they've looked at
18 the increase in caseload as a result of the asset
19 test, and the increase has been little to none,
20 which kind of shows that most people will rely on
21 their cushions rather than turn to the
22 public-assistance system if they can.

23 SENATOR CARLUCCI: Now, is this -- the eight
24 states that you mentioned, are there any overlap
25 with the 20 that you mentioned before?

1 Because it seems --

2 SUSAN ANTOS: Yes.

3 SENATOR CARLUCCI: There is?

4 SUSAN ANTOS: Yes.

5 So --

6 SENATOR CARLUCCI: Because it seems that if
7 you did the first -- if you did the latter, with the
8 eight states --

9 SUSAN ANTOS: Right.

10 SENATOR CARLUCCI: -- you wouldn't have to do
11 the first one.

12 SUSAN ANTOS: That's correct.

13 SENATOR CARLUCCI: Okay.

14 SUSAN ANTOS: Right.

15 So the twenty I mentioned include these eight
16 that have eliminated the asset test because they
17 don't count any assets.

18 So -- in fact, I have, which I am happy to
19 share with you --

20 SENATOR CARLUCCI: While we're on -- we
21 talked about -- I know you're going into other
22 items.

23 SUSAN ANTOS: Yes.

24 SENATOR CARLUCCI: There are any other
25 investment vehicles that you would talk about

1 recommendations on?

2 SUSAN ANTOS: Yes, I'm getting to that.

3 SENATOR CARLUCCI: Okay, you are?

4 SUSAN ANTOS: Yep.

5 SENATOR CARLUCCI: Okay.

6 SUSAN ANTOS: Yep.

7 So the -- just one other thing I want to talk
8 about, savings, is that, oddly enough, what you
9 might not think of a saving, Illinois did a study,
10 because they've just recently repealed their
11 "resource" rule, and they did a study, and they
12 found out that they spent a million dollars in
13 caseworker time, verifying resources, and only found
14 that eight applicants were over their resource
15 limits.

16 So that was one big motivational factor in
17 terms of them eliminating their "resource" rule.

18 SENATOR CARLUCCI: Now, what you hear,
19 though, on the flip side of that, and you even heard
20 it from the previous testimony, our first speaker,
21 on local social services, when we talk about the
22 issues, we say, "Oh, well, fraud is not a big deal,"
23 but then when we get recommendations, it's all
24 fraud-related.

25 So wouldn't this kind of be in the face of

1 that?

2 Because what we were just talking about
3 before was, validating people, and not just for the
4 purpose of saying, Hey, you qualify, or you don't,
5 but to make sure that you get the right resources.

6 SUSAN ANTOS: Right.

7 SENATOR CARLUCCI: So that example would kind
8 of say we're getting rid of all of that human
9 interaction.

10 SUSAN ANTOS: Well, I'm not -- I think human
11 interaction is good, because I think some of the
12 things, in terms of making people available -- aware
13 of the services and programs that can help them with
14 other things. But you actually take away a lot of
15 the fraud if you don't have the "resource" rules.

16 Because one -- you know, one of the things
17 that we see, and it wasn't the case for the
18 gentleman who's on the cover of our report, but
19 we've had clients come to us who had jobs where they
20 had an IRA when they were young. And, of course,
21 you can't access it, so they don't even think about
22 it. They apply for public assistance. They don't
23 put on it their application, because they didn't
24 even remember they have it.

25 SENATOR CARLUCCI: Right.

1 SUSAN ANTOS: And through a computer check,
2 this small IRA comes up. You know, some counties
3 will be understanding about it, but other -- and
4 just deny the application.

5 Other counties will accuse the person of
6 fraud.

7 SENATOR CARLUCCI: Wow.

8 SUSAN ANTOS: If you don't --

9 SENATOR CARLUCCI: And we have examples of
10 that --

11 SUSAN ANTOS: Oh, yes.

12 SENATOR CARLUCCI: -- where people have been
13 convicted of that?

14 SUSAN ANTOS: Oh, yes.

15 SENATOR CARLUCCI: Wow.

16 SUSAN ANTOS: Oh, yes.

17 SENATOR CARLUCCI: Okay.

18 SUSAN ANTOS: So, again, you take away the
19 fraud piece.

20 I did want to talk about vehicles. That's a
21 big concern --

22 SENATOR CARLUCCI: And just before we move
23 on --

24 SUSAN ANTOS: Sure.

25 SENATOR CARLUCCI: -- what would you say to

1 the critics of that proposal, that you would take
2 away the asset test?

3 What -- people would say, Oh, well, you're
4 going to have people apply that don't need it or are
5 abusing the system.

6 What would you say to that?

7 SUSAN ANTOS: Well, I would be happy to
8 share, if this is something that you're interested
9 in, we have the information from the five states
10 that I mentioned that did the follow-up research.

11 SENATOR CARLUCCI: Eight, right, originally,
12 you said --

13 SUSAN ANTOS: Well, eight states eliminated
14 the asset tests altogether.

15 Five states did a research to determine what
16 the impact was on the size of their caseloads --

17 SENATOR CARLUCCI: Ah.

18 SUSAN ANTOS: -- that I'm aware of.

19 Maybe they all did, but I'm aware of five of
20 them, and they all found little to no impact.

21 SENATOR CARLUCCI: Interesting.

22 SUSAN ANTOS: And so that is -- you know,
23 these states did studies, and --

24 SENATOR CARLUCCI: And that's where you said
25 they actually saved money because there was less

1 time verifying --

2 SUSAN ANTOS: That's correct.

3 SENATOR CARLUCCI: -- the fact?

4 Okay.

5 SUSAN ANTOS: The other issue that we're very
6 concerned about is the "automobile resource" rule.

7 The -- as you know, New York State is a big
8 state, and public transportation is an issue,
9 particularly outside of New York City.

10 We have information here in terms of job
11 readiness, that a person with reliable access to a
12 car is twice as likely to find a job as someone
13 without, and four times as likely to keep that job.

14 In New York State we have a couple of issues
15 with our "auto resource" rule.

16 Right now, the "automobile resource" rule is
17 \$9,300 if you need that car to work or look for
18 work.

19 It's \$4,650 if you need -- if you don't need
20 the car to work or look for work.

21 But what that means is, that if you're a
22 disabled individual, you may still need your car for
23 many things.

24 If your car is worth over \$4,650, you're
25 going to be denied public assistance.

1 The -- particularly for people who have been
2 working, and then are hitting hard times, it makes
3 no sense to make them get rid of a reliable car.

4 SENATOR CARLUCCI: This was a question I had
5 before, and I know someone had told me --

6 SUSAN ANTOS: Okay.

7 SENATOR CARLUCCI: -- but, the value of the
8 car, how do you figure that?

9 Is that the Kelly Blue Book value?

10 SUSAN ANTOS: Kelly Blue Book is the one
11 that's most often used.

12 SENATOR CARLUCCI: Okay.

13 SUSAN ANTOS: The recipient, if they can
14 bring in a reputable estimate that shows, for some
15 special reason, that their car is valued less than
16 the Kelly Blue Book, maybe it has some damage --

17 SENATOR CARLUCCI: Okay.

18 SUSAN ANTOS: -- then the district should
19 take that estimate.

20 SENATOR CARLUCCI: Interesting.

21 Okay.

22 SUSAN ANTOS: The other issue that we have in
23 New York, and, interestingly, I have three cases
24 right now that have been brought to my attention
25 from three different counties in the state, and

1 these are all people who have cars in which they
2 have little or no equity.

3 The value of cars in New York is valued at
4 its fair-market value.

5 And in each of these three cases, people
6 applying for public assistance have cars over this
7 resource level, not by much, but they -- but they're
8 over this resource level.

9 One of the families that contacted us has
10 six children and a minivan, and a car worth \$13,000.

11 The father in the family works as a
12 landscaper. He also had some health issues that
13 were short-term.

14 His family turned to public assistance during
15 that time, and they were told that they had to sell
16 their car to get public assistance.

17 Now, if you have no equity in your vehicle,
18 that makes no sense.

19 What happened was, in this particular case,
20 is that the gentleman, for some reason, the agency
21 made an error and gave him public assistance.

22 By the time they realized the error, he was
23 back at work.

24 So now, instead of having to have sold his
25 car to get public assistance, he's now being charged

1 with an overpayment of public assistance for the
2 four months that his family received public
3 assistance while he was between jobs.

4 It makes no sense for someone to have to have
5 sold their vehicle, and then have nothing, because
6 they have no equity in the vehicle.

7 SENATOR CARLUCCI: And part of your argument
8 is saying this is in violation of the ADA?

9 SUSAN ANTOS: Well, the 9300, 4650 --

10 SENATOR CARLUCCI: Having that --

11 SUSAN ANTOS: -- is definitely a violation of
12 the Americans with Disabilities Act, because it's
13 imposing a condition of eligibility that adversely
14 affects people with disabilities.

15 SENATOR CARLUCCI: So now, besides
16 eliminating that two-tiered system, do you have
17 recommendations on what to do about --

18 SUSAN ANTOS: Yes.

19 Our recommendation is that New York eliminate
20 the "resource" rule entirely for automobiles.

21 SENATOR CARLUCCI: Okay.

22 SUSAN ANTOS: And that may seem like a
23 radical notion, but there are only 14 states in the
24 entire country that have an "auto resource" rule.

25 Every other state in the country has

1 abolished the "resource" rule.

2 Now, some of them are different than others,
3 in that some say one per household; some say one per
4 adult. But, within that range, they say, We don't
5 look at the value of the car. You're allowed to own
6 a car when you apply for public assistance.

7 SENATOR CARLUCCI: Okay.

8 SUSAN ANTOS: And there are only 14 states
9 left, including New York, that have a resource
10 level.

11 SENATOR CARLUCCI: Does it touch upon any
12 contractual obligations, like a lease or a loan, for
13 a car that you already entered into?

14 SUSAN ANTOS: Well, oddly enough, the rule in
15 New York is that if you're leasing a car, it doesn't
16 count as a resource because you don't really own it.

17 So --

18 SENATOR CARLUCCI: Just kind of exempt in a
19 way?

20 SUSAN ANTOS: Yeah, well, and it's not yours
21 to liquidate.

22 SENATOR CARLUCCI: Right.

23 SUSAN ANTOS: And so, in the rare instance
24 that people have leased cars instead of owned them,
25 it doesn't very -- happen very much with low-income

1 people.

2 SENATOR CARLUCCI: Right.

3 SUSAN ANTOS: The -- it's not a disqualifying
4 resource.

5 SENATOR CARLUCCI: So -- okay.

6 Interesting.

7 SUSAN ANTOS: Yeah.

8 So there have been initiatives.

9 This last session, you had a bill that would
10 exclude college-savings accounts.

11 We strongly support that bill.

12 There was another bill Senator Krueger and
13 Assemblymember Titus sponsored, that would at least
14 take care of the Americans with Disabilities Act
15 issue, the two-tier issue, and make it a uniform
16 \$9300 exemption.

17 We, of course, support that bill, but we
18 would recommend that New York join the other states
19 and exempt an automobile altogether.

20 SENATOR CARLUCCI: Okay.

21 SUSAN ANTOS: We will have other
22 recommendations as we get closer to the session for
23 you.

24 I was happy to hear the commissioner talking
25 about the inadequate shelter allowance.

1 I know that's a concern that you're probably
2 going to hear from other people, and I know that
3 it's a concern that we share as well.

4 SENATOR CARLUCCI: Have you looked at that
5 closely, and have recommendations for that yet?
6 Or --

7 SUSAN ANTOS: We are looking at that closely,
8 and we will have recommendations.

9 SENATOR CARLUCCI: Okay. Great.
10 This is extremely helpful. I really
11 appreciate it.

12 I do have so many questions for you, because
13 this is something that I'm obviously very interested
14 in. I think it's extremely important.

15 The statistic that you gave about, I believe
16 you said 46 percent of New Yorkers, or 41 percent,
17 or 44 percent, of New Yorkers don't have adequate
18 savings for three months.

19 SUSAN ANTOS: Three months, and that's a look
20 at all New Yorkers.

21 SENATOR CARLUCCI: Right. And that's
22 something that I think, if we can help, and, you
23 know, get people to a system where we can
24 incentivize them to save, so if they lose their job,
25 they're not on the street.

1 And that's something that I'm deeply
2 passionate about, and have tried to do some
3 legislation that would do that, in a way, to
4 incentivize savings. Just savings. Not a
5 retirement account.

6 SUSAN ANTOS: Yes.

7 SENATOR CARLUCCI: But maybe something for
8 people in a certain income range, that they would be
9 able to save, tax-free, into this account, and it
10 would be just for the purpose of building wealth;
11 just for the purpose to be more independent, and not
12 living paycheck to paycheck.

13 Obviously, that meets up against some of the
14 rules of IRS and our federal government. But
15 I believe that if we think hard and we work
16 together, there could be some mechanisms that we
17 could use.

18 I like to point to some of the things that
19 New York has come up with, with things like
20 START-UP NY, and some of the these incentives, to
21 get some of the wealthiest people and the biggest
22 corporations here in New York.

23 And I think we could focus on some of our
24 middle-income families and low-income families, and
25 adopt some of those same strategies, but give

1 them -- give low-income workers the tools they need
2 to get themselves out of poverty, and we'll save so
3 much in the long run.

4 So I have some legislation that I have worked
5 on. I don't think it's perfect by any means.

6 But, I'd love to have your opinion and the
7 Empire Justice Center's opinion on that, and see if
8 can work on those.

9 SUSAN ANTOS: Wonderful.

10 Thank you.

11 SENATOR CARLUCCI: Great.

12 SUSAN ANTOS: I wasn't planning on including
13 it with my testimony, but since you seem to be
14 interested, I only have one copy of this, but, there
15 is an Assets-and-Opportunities Scorecard that is
16 created by a national organization which gives a
17 state-by-state analysis of what the "resource" rules
18 are.

19 Would you be interested in that?

20 SENATOR CARLUCCI: Great. Absolutely.

21 Thank you.

22 SUSAN ANTOS: I only have one copy with me,
23 but I'm happy to give you my copy.

24 SENATOR CARLUCCI: Appreciate it.

25 Thank you so much.

1 SUSAN ANTOS: And they update it every
2 six months or so.

3 SENATOR CARLUCCI: Oh, excellent.
4 Great.

5 All right. Thank you very much.

6 Our next speaker is Ken Stephens, a
7 supervising attorney for Legal Aid Society of
8 New York.

9 KEN STEPHENS: Thank you, Senator, for
10 bringing us together.

11 As is already obvious I think from the first
12 three speakers you've had this afternoon, there's a
13 consensus, in some ways, about some of the problems
14 that we're confronting, and I think some very good
15 ideas and first steps.

16 I was particularly impressed with the very
17 thoughtful testimony from the commissioner here in
18 Rockland County, who identified both, problems, in
19 terms of shelter allowance being one of them, and
20 how out of sync that is, and, also, the idea of
21 solutions, with very much looking more human touch
22 and integrated services, because there are, in fact,
23 so many people who are served through the county
24 social-services districts, who do have a range of
25 disabilities, and, the need to create opportunities

1 for people who can work, to be able to work their
2 way out of poverty, and address the needs of, as she
3 put it in very nice terms, the newest Americans, the
4 immigrants, who are living in our communities.

5 We have prepared some fairly extensive
6 testimony on issues that are of great concern to the
7 Legal Aid Society.

8 Just, very quickly, the Legal Aid Society is
9 the oldest and largest nonprofit public-interest law
10 firm in the world.

11 We currently serve over 300,000 individuals
12 each year through our practice in the criminal
13 justice, juvenile justice, and civil practice.

14 My particular job at Legal Aid is a
15 supervising attorney in what we call the "law-reform
16 unit," where we try and look at cases that are
17 coming in from our local neighborhood offices and
18 through other organizations that we work with on a
19 regular basis, and look at, Are there systemic
20 approaches?

21 Because, the way things are, you know,
22 there's just not enough legal services, lawyers,
23 unfortunately, to address all of the individual
24 problems.

25 And, quite frankly, from the point of view of

1 good government, it doesn't make sense, when you can
2 solve a problem, you know, on a systemic basis, to,
3 instead, keep repeating and seeing client after
4 client with the same problem over and over and over.

5 My friend and colleague Susan Antos talking
6 about, for instance, reforms on the assets test,
7 I think has laid out a very sensible approach to an
8 issue that both, meets a need, and would simplify
9 and streamline the administrative process.

10 As she was talking, and you had your
11 colloquy, about possible fraud when there really was
12 no fraud, I'm reminded of a situation we've had with
13 New York City, where there have been some computer
14 errors, and so they had information about banks and
15 bank savings that was totally inaccurate because one
16 digit was off in a computer string.

17 So people were being told that they had a
18 bank account someplace upstate, and it was all a
19 mistake. All, just, you know, people being denied;
20 people in a lot of need, being denied benefits,
21 because of an administrative process that might have
22 been totally avoidable from the outset.

23 And so when you have those opportunities,
24 there is obviously a need for more people in this
25 field to help people one-on-one.

1 And one of the best ways to do that is, in
2 fact, to reduce bureaucracy when you can.

3 We all know that it's very important to be on
4 top of any potential fraud.

5 But I can tell you, I once had a frank
6 conversation with somebody who worked for a former
7 commissioner, who said, you know: The money we're
8 spending on fraud protection far exceeds the actual
9 benefits, but we have to do it. We have to do it
10 because the public expects us to do it, and because
11 program integrity is really important when you're
12 trying to help poor people. That the public needs
13 to know that their funds are not being wasted on
14 people who, frankly, are committing fraud.

15 But your observation, I think, is strictly on
16 point, that, in many ways, the rhetoric around fraud
17 exceeds the actual real problem that exists.

18 And I think the commissioner herself was
19 indicating as much.

20 I'm going to jump into something pretty
21 quickly, you know, poverty.

22 When you talk about gaps in the
23 social-services systems, I mean, one of the most
24 fundamental, I think, goals of our social-service
25 system is to address and support people living in

1 poverty.

2 And, unfortunately, we're in a situation now
3 where, in New York, we have too many people who are
4 continuing to live in poverty, and many of them for
5 too long.

6 Part of the problem, from the 30,000 feet, if
7 you will, is that our social-services system hasn't
8 adequately addressed the impact of inflation on the
9 support network that was designed to be there as a
10 safety net for people who are in need.

11 And as Ms. Antos was testifying, since most
12 working Americans only have three months worth of
13 saving, you not only have to talk about people for
14 whom they've been living in poverty all their lives,
15 but people who could be, you know, they're just one
16 bad medical incident, or one bad life event, one bad
17 plant closing, one -- you know, one bad budget
18 crunch in the public sector, and they're back in the
19 state of need also; or, you know, something like the
20 mega-crisis we had in 2008 with the bank failures,
21 banking crisis.

22 So, currently, the standard of need, the
23 shelter allowance, in New York City, and it varies
24 from county to county, but it's -- New York City is
25 pretty typical. I think, Rockland, the shelter

1 allowance is pretty similar.

2 \$400 for a family of three.

3 \$400 for a family of three.

4 When I told my mother that, she said, "Oh,
5 \$400 a week, it's not too much, but you ought to be
6 able to do that."

7 I said, "No, mom. It's \$400 a month."

8 She said, "Who makes up these rules?"

9 And the answer is, the rules were made up, in
10 reality, years, in fact, almost decades ago, and
11 they probably never accurately reflected the cost of
12 housing, the real cost of housing, in high-rent
13 areas like we have here in the Lower Hudson Valley,
14 Long Island, and New York City.

15 But it becomes so far out of sync; yet,
16 they've helped create what we've been calling this
17 year, "the homelessness catastrophe."

18 Two years ago you had a homelessness crisis.

19 Since then, I think there's been an
20 additional 20,000 people who have been forced into
21 the homeless-shelter system, and many more living on
22 the streets. Many of them, as you know from your
23 work for many years, are people who have psychiatric
24 disabilities.

25 Strengthening the Supportive Housing Network,

1 as was suggested by Mr. Piasecki, makes a lot of
2 sense, but we also have to look at just supporting
3 people who could stay in their homes, or secure
4 homes, if only the shelter allowance more closely
5 matched the reality.

6 In New York City, the fair-market rent for a
7 two-bedroom apartment is \$1,400.

8 So you're talking about \$1,000 gap between
9 the shelter allowance and reality.

10 And that \$1,400 is something that HUD comes
11 up with, and they update each year, \$1,480, and it's
12 not meant to be luxury living. It's just your basic
13 apartment, that's what it costs.

14 I think today you're even finding it
15 difficult to find a two-bedroom apartment in areas
16 in New York City, and much of the Hudson Valley and
17 Long Island, at that level.

18 So you have, you know, swaths.

19 We have in our testimony, on page 8,
20 I provided you with a little map we've developed,
21 that shows the level of difference between the
22 shelter allowance and the fair-market rents
23 throughout the state. And we've color-coded it so
24 that you can see that, you know, it's a problem,
25 even up in Buffalo, but it's also much more

1 significantly a problem in certain areas of the
2 state that are subject to high rents.

3 That's just reality.

4 SENATOR CARLUCCI: So according to this map,
5 there's at least a \$300 difference in any part of
6 the state?

7 KEN STEPHENS: Exactly, exactly, exactly.

8 SENATOR CARLUCCI: Okay.

9 KEN STEPHENS: That's the lowest.

10 So, we have a specific recommendation, that
11 the Legislature adjust the shelter allowance, as a
12 first step, a down payment, if you will, to at least
13 50 percent of the fair-market rent.

14 It should be higher than 50 percent, and I'm
15 putting that out as a minimal.

16 That would mean that, a family in
17 New York City, the shelter allowance would go up
18 to -- from \$400, to about \$770.

19 So it's still, obviously, going to be a
20 challenge to find housing at that level if you only
21 were to make that much of a down payment, but it
22 will at least begin to create a path.

23 My office worked with the legislature, and
24 eventually the executive branch, back, from 2005 to
25 2008, to come up with a plan to raise the other part

1 of what's known as the, you know, "public assistance
2 grant," which they call the "basic grant."

3 And what we came up with was a plan to phase
4 in and increase over a series of years. It was a
5 multi-year phase-in.

6 And I think that's what you want to probably
7 look at here, because, frankly, the numbers are
8 large.

9 SENATOR CARLUCCI: Just a question on that.

10 So if we tied the 50 percent of fair-market
11 rent, in a way, you're tying it to HUD standards,
12 which we expect to increase, or make those
13 adjustments every year --

14 KEN STEPHENS: Exactly.

15 SENATOR CARLUCCI: -- where right now we're
16 stagnant?

17 KEN STEPHENS: Exactly.

18 And that's a good point, because the way the
19 law is currently structured, the legislature has
20 left it up to the executive branch to set the
21 shelter allowance.

22 That record speaks for itself.

23 I'm sorry to say, but, you know,
24 four governors and so many commissioners later, we
25 are still living in the situation where, you know,

1 you only have a \$400 shelter allowance for a family
2 of three.

3 In order to address the difference, what we
4 call the "affordability gap," because even if you
5 come up to 770, you're still going to need, at least
6 in some cases, to raise that to prevent
7 homelessness.

8 SENATOR CARLUCCI: Now, are you aware, as
9 Mr. Piasecki had talked about, that
10 Westchester County has supplemented the shelter
11 allowance?

12 KEN STEPHENS: Yes.

13 SENATOR CARLUCCI: Have other counties done
14 that?

15 KEN STEPHENS: Yes.

16 SENATOR CARLUCCI: And how are they doing
17 that?

18 KEN STEPHENS: Yeah, we've laid out,
19 New York City has the largest shelter-supplement
20 program.

21 Westchester, Nassau, and Suffolk, pretty much
22 the highest rent areas.

23 SENATOR CARLUCCI: The map on page 8, that
24 doesn't include the supplement from the County;
25 right?

1 KEN STEPHENS: No, it doesn't.

2 SENATOR CARLUCCI: All right.

3 KEN STEPHENS: But, for an example, in
4 New York City, we call it the -- it's called "FEPS"
5 (Family Eviction Prevention Supplement).

6 That will currently bring you up to \$850 for
7 a family of three, if I -- yes.

8 The FEPS supplement, this is on page 11 of
9 our testimony.

10 SENATOR CARLUCCI: Yes.

11 KEN STEPHENS: So -- and that gives you an
12 idea.

13 I think the other counties are somewhat
14 similar, but you still have that gap.

15 So our proposal is, take the supplement --
16 I mean, take the shelter allowance up almost to the
17 level now that the supplement was set, which was
18 set, by the way, Senator, back in, you know,
19 mostly -- most of that was set back in 2003, over a
20 decade ago, and allow local districts, on a
21 case-by-case basis, where it makes sense, to avoid
22 homelessness, to prevent eviction, and, in fact, to
23 save money, because the homeless shelters are
24 costing about \$3,000 a month.

25 You're also talking about, study after study

1 has shown that homeless people are going to be more
2 frequent users of emergency rooms. They're going to
3 drive up those Medicaid costs that the commissioner
4 and others are concerned about.

5 So, districts will need to have that
6 flexibility to go up to at least the fair-market
7 rent, to prevent homelessness.

8 But you don't have to -- you don't have to
9 start off, in my -- in our proposal, to legislate
10 that the shelter allowance be at the fair-market
11 rent.

12 I mean, I think that there's some logic for
13 doing that, but being aware of the realities of the
14 budget world, it does seem to me that it makes sense
15 to incrementally move in that direction. But it's
16 long past due to take that important first step.

17 SENATOR CARLUCCI: So this really should be,
18 we should include this conversation in the overall
19 talk about how we're moving to managed care, the big
20 funding that's around DSRIP, which, if you're aware
21 of that, maybe this is a way to say, Look, we should
22 include this conversation in that because, overall,
23 it's going to keep health-care costs down.

24 KEN STEPHENS: Yes.

25 You know, I think for the first time, in the

1 past year, the State used some Medicaid-savings
2 moneys to do supportive housing.

3 And I know that, you know, years ago, we
4 learned that in, I think it was San Francisco, a
5 doctor in an emergency room issued a prescription
6 for stable housing, because, quite literally, he was
7 dealing with an individual with psychiatric
8 distress, and, you know, housing first.

9 I mean, without a stable living environment,
10 the likelihood that that person wasn't going to be
11 back either at the emergency room or in a --
12 hospitalized was pretty slim.

13 And so your observation, I think, is an
14 insightful one, that there is a close linkage
15 between housing costs, the supportive that people
16 need, and the avoidance of other costs, either, you
17 know, in the health system, or, quite frankly, in
18 the criminal justice system, where you'll also see,
19 you know, connections there.

20 Recently, in Columbia University, Dr. Noble
21 and a group of physicians from around the country
22 have documented the impact of poverty on infant
23 brain development.

24 So we're at the point now where we can -- you
25 know, we've always appreciated, on a human level,

1 that poverty hurts people.

2 And now we can see that, you know, you
3 actually may be causing irreversible, and in some
4 cases, multi-generational, poverty by not providing
5 the proper supports in the first place.

6 I'm going to move quickly to just a couple of
7 other points we've brought to you this afternoon for
8 your consideration, some of which bear on the same
9 theme of addressing what I call "inflation erosion
10 over time."

11 And as somebody with a financial background,
12 I know that you can appreciate the fact that, you
13 know, you can't ignore the effect of inflation over
14 long periods of time.

15 You couldn't -- you know, as an individual
16 trying to plan for your retirement, you can't avoid
17 it, and, as public officials, we can't avoid it.

18 The people who depend upon our
19 Social Security Supplemental Security Income system,
20 some of the most vulnerable New Yorkers, senior
21 citizens, and those with disabilities, haven't been
22 able to see the New York State supplement to the
23 federal Social Security SSI program increase at a
24 pace that keeps up with inflation.

25 We've given you a chart that lays out how

1 dramatically that failure to adjust for inflation
2 affects these individuals, so that seniors are
3 forced to live in poverty.

4 They're not even given enough support,
5 basically, to live at the poverty level under the
6 federal standards, which probably, you know,
7 understates the case for New York.

8 In New York, the federal standards, right now
9 we have 16 percent. But if you use a realistic
10 standard, it's closer to 18 or higher, something
11 that reflects New York.

12 One of the other recommendations:

13 So we're recommending that the Legislature
14 this year adjusts the State Supplemental Income
15 program so that it actually reflects income erosion,
16 because people now only have 41 cents on the dollar
17 that they had when the program began in the 1970s.

18 You know, poor people just can't afford that.

19 Another area where you see the impact of
20 trying to ignore inflation is in the area that we've
21 identified as "earned-income disregard."

22 And this is important because, in order for
23 the social-services program to succeed, we want
24 those who are able to work to be able to earn their
25 way out of poverty.

1 It's the most fundament -- it's what
2 I call -- consider the "low-hanging fruit."

3 You really want to support those people who
4 have shown initiative, who have gotten back into the
5 workforce.

6 And, the program that's set up now only
7 offers a \$90 disregard, that was set years ago, and,
8 it excludes anybody who doesn't a minor child.

9 So if you're a mom who has a 16-year-old,
10 17-year-old, daughter, and you've worked really
11 hard, struggling, and now she's going to go to
12 college, she's going to turn 18, suddenly you're
13 going to lose that support, at exactly the wrong
14 time?

15 And what better way to ensure failure than
16 having a rigid rule that excludes individuals in
17 that circumstance.

18 So, you know, based on, you know, prior
19 discussions we have had with your office, we think
20 that this is an area that you would be keenly
21 interested in, because we believe that there's a
22 growing consensus that people need a transition to
23 employment.

24 And that frequently now, for our clients in
25 particular, employment is transitory at the

1 beginning. They may not be able to secure lasting
2 employment and they may not be able to secure
3 full-time employment either.

4 It's kind of the rule of the day,
5 unfortunately.

6 So you want to make sure that you don't have,
7 as we were discussing earlier, a cliff, where people
8 suddenly fall off, and all the progress that might
9 have been made is suddenly lost because of some
10 rigid application of a rule that's at latest
11 10 years out of date.

12 And, finally, we're recognizing that the new
13 Americans, immigrants, could achieve -- with
14 disabilities in particular, could be very much
15 helped by a change in the state's supplemental
16 program.

17 We're now 20 years past the initial wave of
18 so-called "welfare reform."

19 And one of the most pernicious things that
20 happened, was there was some really -- some real
21 heavy anti-immigrant flavor to legislation back
22 then, quite frankly, and, so people are no longer
23 eligible for federal SSI.

24 And we in New York State have decided to
25 follow that rule and not provide those people with

1 the state supplement that we provide to other
2 individuals with disabilities.

3 That's a decision that's totally within the
4 realm of Albany, New York. We can make that
5 decision.

6 And if we do so, it's a two-for-one, because
7 not only are you securing a basic level of income
8 for those immigrants with disabilities, but you're
9 also making them eligible for federal SNAP benefits,
10 because they've also been excluded from the
11 SNAP program.

12 So, you're kind of being able to leverage
13 state dollars to bring in some federal dollars, and
14 at the same time support these individuals.

15 So, it's another area in which we think it's
16 a commonsense reform that will help people who need
17 help, but also draw in the federal government as a
18 kind of partner in helping these families secure a
19 more stable living -- standard of living.

20 Thank you.

21 There's a -- we're happy to continue a
22 discussion with you and the Committee.

23 There's a lot of things that can be done.

24 And I just would say, we're really encouraged
25 that you've begun this process of calling people

1 together, because it's been a long time overdue.

2 Thank you.

3 SENATOR CARLUCCI: Well, Ken, thank you very
4 much.

5 And these recommendations are extremely
6 helpful. I mean, this is really a goldmine of great
7 ideas, so I really appreciate that.

8 KEN STEPHENS: Thank you very much, Senator.

9 SENATOR CARLUCCI: Look forward to working
10 with you further.

11 Thank you.

12 Next we have Tracie Robinson, who's the
13 executive -- or, is filling in for Allison Sesso who
14 is the executive director of Human Services Council
15 of New York.

16 And, Tracie, if give us your title, that
17 would be great.

18 TRACIE ROBINSON: Tracie Robinson. I'm the
19 policy analyst for the Human Services Council.

20 Unfortunately, Allison Sesso was unable to
21 make it today, so I am testifying on her behalf.

22 SENATOR CARLUCCI: Great. Thanks for being
23 with us.

24 TRACIE ROBINSON: Thank you so much for
25 having us, for inviting the Human Services Council,

1 and for having these hearings.

2 This is really important work, and the topic
3 is obviously important, and the discussion is long
4 overdue.

5 I would like to start by saying that I think
6 it's really important that you invited the
7 Human Services Council to testify because, for us,
8 this really is a recognition of the role of
9 nonprofit human-services providers in combating
10 poverty.

11 And, obviously, we are really grateful for
12 the opportunity to talk about some of the issues
13 that our sector is facing.

14 I'll just highlight some of the issues that
15 we address in our written testimony, and I will do
16 my best to keep my oral remarks brief.

17 So as you know, nonprofit human-services
18 providers play a critical role in combating poverty,
19 but I think it's important to note that there are
20 two sides to this coin.

21 So not only do non-profits serve as bridges
22 to opportunity for New Yorkers in need, providing
23 all kinds of services, including child care, child
24 development, services for the elderly, services for
25 the hungry, services for the needy, those with

1 chemical-dependency issues, and all kinds challenges
2 that they're facing in life, the other side of the
3 coin is that nonprofit human-services providers are
4 also an economic engine for our state.

5 This is a multi-billion-dollar industry in
6 New York State, and so I tend to shy away from
7 characterizing what we do too much as charity.

8 First of all, many of the challenges that our
9 sector's clients face are challenges they face
10 through no fault of their own.

11 And second of all, the sector does employ
12 almost 20 percent of the state's workforce.

13 So that's just to provide a backdrop to some
14 of the issues that I want to highlight today.

15 The first, and sort of overarching theme,
16 I think, of my remarks, is institutional
17 underfunding of programs.

18 We all know that government agencies don't
19 always pay the full cost of running a
20 social-services program, no matter what that type of
21 program may be.

22 Our sector has sustained nearly \$1 billion in
23 funding cuts since the financial crisis.

24 We're hearing now that we're on the road to
25 recovery, but, to be honest, for our sector, the

1 crisis isn't over. We're still seeing the effects
2 of the recession.

3 The problem is that underfunding of programs
4 doesn't actually save money.

5 I think a lot of times the government and the
6 public think that by underfunding social-services
7 programs they're saving taxpayer dollars.

8 But as you've already heard from some of the
9 people who testified today, a lot of social-services
10 programs actually are proven to save taxpayer
11 dollars.

12 I think, in this regard, supportive housing
13 is really the shining star.

14 We constantly hear about how that saves so
15 much money for taxpayers, by keeping individuals out
16 of more expensive emergency-care situations.

17 It costs taxpayers money, also, by crippling
18 organizations that provide a safety net in the
19 state.

20 When nonprofit human-services providers are
21 underfunded, not only does that mean that their
22 workers face low salaries and have lower purchasing
23 power and are unable to contribute less to the
24 economy of the state and the nation, but, obviously,
25 it limits the quality and scope of services that can

1 be delivered.

2 So the next point is related to the
3 institutional underfunding of programs, and the
4 previous speaker really highlighted this very well
5 in regard to inflation.

6 One of the things that the Human Services
7 Council has been a tireless advocate for is
8 cost-of-living adjustments for the human-services
9 sector. We refer to them as "COLAs," as short.

10 This is always a battle, when, in fact, COLAs
11 should be systemized and automatic.

12 We all know that inflation happens. It's --
13 there's no refuting that fact.

14 Rents never go down.

15 Costs of doing business never seem to go
16 down.

17 And, yet, over the past eight years or so,
18 our sector has really had to fight for
19 cost-of-living adjustments.

20 We went more than five consecutive years
21 without a cost-of-living adjustment.

22 And I just want to highlight some of the
23 consequences of this underfunding and chronic
24 failure to acknowledge the impact of inflation on
25 our sector.

1 When COLAs are not given, this means that
2 employees of human-services organizations,
3 obviously, they don't get raises.

4 What are the practical implications of that?

5 What it means is that, it's hard to attract
6 and retain qualified, caring, dedicated workers.

7 If you are a client of a human-services
8 organization and you have a different caseworker
9 every time you go in, the quality of service that
10 you're getting is, de facto, not as good as it could
11 be.

12 And so in terms of identifying gaps in the
13 delivery of social services, I think COLAs play a
14 huge role in that.

15 It's very hard to maintain a qualified
16 workforce and continuity of services for people who
17 really, in most cases, need continuity.

18 It's not just the service itself that
19 matters. It's the relationship they have with the
20 person who's providing that service on the front
21 lines.

22 And so the failure to give COLAs to our
23 sector has really impacted the ability of providers
24 to deliver high-quality services.

25 COLAs also impact the ability of nonprofit

1 human-services providers to invest in
2 infrastructure.

3 And that actually leads to another issue that
4 we wanted to highlight today, which is the Nonprofit
5 Infrastructure Capital Investment Program.

6 HSC is really delighted to see this
7 recognition of our sector and of our infrastructure
8 needs.

9 The \$50 million infrastructure fund is a
10 great start, but it is only a drop in the bucket in
11 the sense that, for large human-services providers
12 who have budgets that are well in excess of
13 \$50 million a year, there's so much they can do with
14 \$50 million.

15 I think that one of our members could
16 actually exhaust those funds in a year.

17 Our -- the infrastructure in our sector is
18 crumbling.

19 Organizations don't have the money to invest
20 in salaries. They don't have the money to invest in
21 professional development for their staff.

22 But the other side of that is that they also
23 don't have money to invest in their facilities, they
24 don't have money to invest in certain unfunded
25 mandates pertaining to information services and

1 information-management systems, particularly with
2 respect to our members who provide health services.

3 There are lots of recordkeeping requirements
4 and electronic-data requirements that they're really
5 struggling to keep up with and to remain in
6 compliance with.

7 So there's so much that our members could do.

8 And I actually have a list of just a few of
9 the things. This is actually a wish list that we
10 got from our members. These are just a few of the
11 things that they would do with some of this
12 infrastructure funding:

13 Modifying existing structures to be fully
14 accessible to individuals with disabilities.

15 Replacement of data-dysfunctional boiler
16 systems and roofs with compromised integrity.

17 Purchase of backup generator systems
18 necessary to maintain services during crises, such
19 as "Hurricane Sandy."

20 Upgrade of kitchens with
21 commercial-grade-quality and -capacity appliances to
22 enhance food preparation and storage capacity.

23 Purchase of new furnishings to help establish
24 a welcoming service-delivery environment.

25 Replacement of dated desktop computers,

1 laptops, servers, mobile devices, and other
2 electronic technology necessary to maintain agency
3 and program operations.

4 And, finally, purchase of software and
5 phone-system upgrades, and purchase of necessary
6 licenses.

7 Some of these things actually are mandated by
8 state or city regulations.

9 So the next issue that I wanted to highlight
10 is indirect costs, which are commonly referred to as
11 "overhead."

12 There is a pervasive stigma against indirect
13 costs.

14 Nobody wants to fund a chair or a desk or a
15 training.

16 People want to fund a meal for a hungry
17 child. They want to fund a wheelchair for a
18 disabled person.

19 Indirect costs just don't have appeal, but,
20 they are a fact of life. Just like any for-profit
21 organization, nonprofit organizations have
22 legitimate indirect costs.

23 As you probably are aware, the Federal Office
24 of Management and Budget, or, "OMB," recently
25 issued -- well, in 2013, issued regulations

1 regarding indirect costs on federal contracts
2 between pass-through entities, such as state and
3 local governments and nonprofit organizations.

4 And I want to be clear that, in the federal
5 guidance, there is a 10 percent floor for indirect
6 costs. And the federal government calls this floor
7 "de minimis."

8 I think we should take a second to think
9 about the term "de minimis," because if the federal
10 government is telling us that 10 percent is
11 de minimis, and our members are getting indirect
12 cost rates ranging from 2.3 or 2.5 percent to their
13 federal rates, which can be in excess of 15 percent,
14 the fact that the federal government is telling us
15 that 10 percent is so small as to be called
16 "de minimis" should tell us something about the way
17 our services are funded.

18 I also would like to point out that HSC is
19 not sure at this point how New York State and
20 New York City intends to implement this guidance.

21 They are required to follow the guidance for
22 all of their federal contracts, but we haven't
23 received any written communication as to how they
24 will be implementing it. And that's, obviously, a
25 problem for our members.

1 So in the interest of keeping my remarks
2 short, I will just conclude by saying:

3 That nonprofit organizations obviously play
4 an important role in alleviating poverty, but they
5 need funding and adequate support in order to
6 continue to thrive.

7 And, actually, I think "thrive" is probably
8 the wrong word at this point.

9 They need to recover from the effects of the
10 financial crisis, and then thrive, and be able to
11 deliver high-quality services, while also looking
12 for out for their own, and treating their staff in a
13 way that makes them want to stay in their jobs.

14 Thank you.

15 SENATOR CARLUCCI: Great. Thank you very
16 much. I really appreciate it.

17 One of the things I wanted to just mention to
18 you and see if you had any feedback, is when you
19 talk about the cost-of-living adjustment for
20 human-service workers, one of the things that we
21 have tried to do when I served as Chairman of the
22 Mental Health Committee, is to create a
23 credentialing process for direct-service providers,
24 because some of the things that you had talked
25 about, we know there's a direct link.

1 Right, if you're seeing a new caseworker each
2 time you go, that has a diminishing effect on the
3 quality of service.

4 And what we're looking to do through the
5 credentialing process is to reward experience; to
6 get people that have invested in themselves, in
7 their career, and to get paid an adequate wage, and
8 something that will encourage them to expand their
9 profession.

10 Is there something like that that we could
11 put into effect in the human-service field?

12 TRACIE ROBINSON: Absolutely.

13 And I think this ties in a little --
14 actually, quite a bit, to what one of our partner
15 organizations has been doing a lot of work on,
16 The Federation of Protestant Welfare Agencies, or,
17 "FPWA."

18 They have something called a "career-ladder
19 initiative," and that's something that they're
20 really working on at the New York City level.

21 But I think there's an opportunity to create
22 something parallel at the state level.

23 And basically what the career-ladder
24 initiative is about, is just what you said:
25 rewarding investment in professional development.

1 SENATOR CARLUCCI: Now, when you mentioned,
2 you said 20 percent of New York's workforce is
3 comprised of the human-service field --

4 TRACIE ROBINSON: Almost.

5 I think it's 18.

6 SENATOR CARLUCCI: -- now, would that include
7 the people working with people with developmental
8 disabilities and mental health?

9 TRACIE ROBINSON: (Nods head.)

10 SENATOR CARLUCCI: So it includes that?

11 TRACIE ROBINSON: Yes.

12 SENATOR CARLUCCI: And health care?

13 TRACIE ROBINSON: Yes.

14 SENATOR CARLUCCI: It includes that?

15 TRACIE ROBINSON: Yes.

16 SENATOR CARLUCCI: Great.

17 TRACIE ROBINSON: And so it is -- like
18 I said, it's not just a matter of supporting a
19 safety net. It's also a matter of contributing to
20 something that really is an economic engine.

21 I know I'm beating a dead horse, but, I just
22 really want to highlight that.

23 SENATOR CARLUCCI: Great.

24 All right. Good.

25 Any other recommendations that you have for

1 us?

2 TRACIE ROBINSON: We're actually working on
3 our recommendations. We had -- we actually had
4 specific numbers in terms of funding
5 recommendations, so on and so forth.

6 But, we will be revising them over the coming
7 month or two, and so I will refrain from giving any
8 specific numbers today.

9 SENATOR CARLUCCI: I agree.

10 TRACIE ROBINSON: But you will definitely be
11 hearing from us --

12 SENATOR CARLUCCI: Excellent. Look forward
13 to it.

14 TRACIE ROBINSON: -- in the next month or so.
15 Thank you.

16 SENATOR CARLUCCI: Well, Tracie Robinson,
17 really appreciate it, and I look forward to working
18 with you.

19 TRACIE ROBINSON: Thank you, and, likewise.

20 SENATOR CARLUCCI: Our next speaker is
21 Carmelita Cruz, who is the director of the New York
22 State advocacy & organizing, Housing Works.

23 We're just going to take a quick, less than
24 five-minute break.

25 (Recess taken.)

1 (The hearing resumes.)

2 SENATOR CARLUCCI: So our next speaker, we
3 have Carmelita Cruz, the director of New York State
4 advocacy & organizing, Housing Works.

5 CARMELITA CRUZ: Great. Thank you so much.

6 And thank you for calling this hearing, and
7 we at Housing Works really welcome your attention to
8 identifying gaps in the delivery of social services.

9 So I want to take this opportunity to
10 identify gaps in social services for low-income
11 people living with HIV, and I provided you some
12 materials.

13 I know that folder is very thick. I promise
14 it's not all my written testimony.

15 It's also a copy of "New York State's
16 Blueprint to End the AIDS Epidemic."

17 So, first, low-income people -- low-income
18 HIV-positive people in Upstate New York and
19 Long Island don't currently have a coordinated way
20 of accessing essential services and housing
21 supports.

22 Second, New York City and state eligibility
23 requirements for receiving housing and critical
24 supports are out of date and don't conform with
25 current HIV-treatment guidelines and research that

1 overwhelmingly support the benefits of early
2 treatment.

3 The current criteria is based on an "AIDS"
4 definition which came into play in the '80s. And,
5 you know, everyone knows that, with the advances in
6 medicine, AIDS is no longer a death sentence.

7 So we encourage changing that definition so
8 that it's -- when someone becomes HIV-positive,
9 rather than waiting until their disease progresses
10 to AIDS.

11 And then, third, low-income HIV-positive
12 New Yorkers who reside outside of New York City
13 aren't currently eligible for the 30 percent rent
14 cap affordable-housing protection.

15 And as we've heard from some of the speakers
16 earlier, like we've heard from people all over
17 Upstate New York and Long Island, affordable housing
18 is an issue all over the state, not just within
19 New York City.

20 So this hearing is really being convened at
21 an exciting time.

22 Governor Cuomo's commitment to ending the
23 AIDS epidemic in New York State by the year 2020 is
24 actually extraordinary.

25 If we can accomplish this, we would be the

1 first state in the country, and the first
2 jurisdiction in the world, to do something like
3 this.

4 And what that means is, basically, lowering
5 the number of new HIV infections we have in the
6 state each year, from about 3200 last year, to
7 750 by the year 2020.

8 So, it's a big goal, there isn't a cure, but
9 there are steps that we can take, such as linking
10 and retaining people in care and providing housing,
11 transportation, and nutrition assistance, which is
12 what I'm going to focus on now, for people across
13 New York State.

14 So in the blueprint, which I've provided for
15 you, housing is named as the greatest unmet need of
16 people at risk or living with HIV in the state.

17 Research shows that there are still
18 significant barriers to staying on treatment for
19 people with HIV who are homeless or unstably housed.

20 If people don't have a safe place to live or
21 enough food to eat or transportation to even get to
22 their doctors' appointments, they're often unable to
23 stay within care and stay healthy.

24 The research is clear that people with HIV
25 who are homeless and unstably housed have higher

1 viral loads, worst health, are more likely to pass
2 the virus on to someone else, and die sooner.

3 Housing is a really strong predictor of HIV
4 health outcomes, more so than individual
5 characteristics such as gender, race, age, drug and
6 alcohol use, mental-health issues, or even receipt
7 of social services.

8 So it's really essential to support meeting
9 these basic subsistence needs. It's just as
10 important as providing medications for people living
11 with HIV.

12 So one of the reasons that New York State is
13 in a position to end the AIDS epidemic is because
14 we've done such a great job with consistently
15 reducing the number of new HIV infections over the
16 course of our history.

17 We have great syringe-exchange programs which
18 have reduced transmitting HIV through the use of
19 injection-drug use, through sharing needles, by
20 90 percent since the epidemic was at its highest
21 rate.

22 It's also partially due to the HIV and AIDS
23 services administrations and the benefits that are
24 provided within New York City, that aren't available
25 to folks within the rest of the state at this time.

1 So outside of New York City, basic housing,
2 nutrition, and transportation benefits have not been
3 made available to low-income New Yorkers living with
4 HIV and AIDS, and it's estimated that there are,
5 roughly, four to six thousand people with HIV living
6 in Upstate New York and Long Island that have an
7 unmet housing need. And this is actually based on a
8 2004 housing-needs assessment, so it's outdated.

9 We're trying to work on updating those
10 numbers, so there's a chance that that number is
11 even higher.

12 It's essential --

13 SENATOR CARLUCCI: Is that something that
14 Housing Works is doing? Or --

15 CARMELITA CRUZ: Yes.

16 So the initial needs assessment, one of our
17 founders, who is now our senior policy associate,
18 Jenny Schubert, was involved.

19 It was also, I think, funded through the
20 Office of Temporary Disability Assistance.

21 So, we're working with OTDA to try and get a
22 new housing-needs assessment done.

23 SENATOR CARLUCCI: Ten years later.

24 CARMELITA CRUZ: Yes, yes, more than 10 years
25 later.

1 SENATOR CARLUCCI: Yeah.

2 CARMELITA CRUZ: So all of these services
3 that I've talked about are actually provided in a
4 bill that Senator Hoylman introduced earlier this
5 session, in May, called "The Point of Access to
6 Housing and Essential Services," which would,
7 basically, amend the social-services law to ensure
8 coordinated access to benefits for low-income people
9 living with HIV through a single point of access in
10 every local social-service district across the
11 state.

12 And what we've heard from some providers
13 already is that larger -- counties with a larger
14 population of people living with HIV, it would be
15 easier to provide this through their local
16 social-service district.

17 But, in some of the more rural areas in
18 Upstate New York, it would be something that would
19 be easier to contract out to AIDS service
20 organizations.

21 So that language is already provided in the
22 bill.

23 SENATOR CARLUCCI: Now, this document here,
24 "Ending the Epidemic," is that --

25 CARMELITA CRUZ: That's all of our

1 legislative recommendations.

2 SENATOR CARLUCCI: That's yours? Okay.

3 Is the bill you just mentioned in here?

4 CARMELITA CRUZ: Yes.

5 SENATOR CARLUCCI: Okay.

6 CARMELITA CRUZ: It would also protect
7 rent-burdened people living with HIV and their
8 families by expanding the 30 percent rent cap
9 statewide.

10 It would also change the eligibility
11 requirements.

12 So like I mentioned earlier, eligibility
13 requirements right now are based on someone having
14 an AIDS diagnosis.

15 But we know from research that folks, as soon
16 as they test positive, should be receiving
17 medication, should be stably housed, so that they
18 stay healthier.

19 SENATOR CARLUCCI: And this is all within the
20 single-point-access bill?

21 CARMELITA CRUZ: Yes, yes.

22 SENATOR CARLUCCI: Okay.

23 CARMELITA CRUZ: And then it would also
24 provide access to additional transportation stipends
25 and reimbursements, which are really essential for

1 people in more rural communities that don't have an
2 extensive public transportation system or that have
3 to drive a long way to access their care.

4 So the bill would really streamline the
5 supportive services, and it would enable continuous
6 engagement in care, which is one of the main pillars
7 of the blueprint in how we'll end the epidemic in
8 New York.

9 So I also include, and I just want to bring
10 to your attention, a fiscal-impact report, which was
11 actually conducted by Housing Works and the
12 Treatment Action Group.

13 And the fiscal-impact report shows that a net
14 savings of at least \$1 billion in public spending
15 between now and 2020 could be saved by updating the
16 eligibility criteria, and funding safe and stable
17 affordable housing, and that's basically calculated
18 by averting new infections.

19 I think maybe 70 percent of the people living
20 with HIV in New York State utilize public-insurance
21 benefits, so it really brings that Medicaid cost
22 down.

23 And then also by providing those savings --
24 those housing benefits, we would be limiting the
25 number of people in the shelter system currently.

1 So like it was mentioned earlier, there are
2 over 60,000 people that utilize the shelter system
3 each year in New York City.

4 We're trying to get some of that data on a
5 county-by-county level now as well, so that we can
6 kind of go through and figure out which of those
7 folks are also HIV-positive and that could be
8 receiving stable housing.

9 SENATOR CARLUCCI: Great.

10 Okay.

11 CARMELITA CRUZ: So that was the main thing
12 that I wanted to bring up.

13 SENATOR CARLUCCI: Great.

14 Well, thank you very much. This is very
15 helpful. I really appreciate it.

16 I look forward to working with you as we
17 continue this agenda to have a real strategic plan,
18 moving into the next legislative session.

19 So this is extremely helpful.

20 CARMELITA CRUZ: Okay. Great.

21 SENATOR CARLUCCI: Thank you so much.

22 CARMELITA CRUZ: Thank you.

23 SENATOR CARLUCCI: And our next speaker, we
24 have Alex Bursztein?

25 Is Alex still here?

1 No?

2 You're filling in?

3 Okay. Great.

4 From Legal Aid Society of Rockland County.

5 If you could just say your name and title.

6 MARY ELLEN NATALE: Good afternoon, Senator.

7 I'm Mary Ellen Natale. I'm the deputy
8 director of the Legal Aid Society of
9 Rockland County, and I'm here in place of
10 Alexander Bursztein, our executive director, who is,
11 as we speak, in court, working very hard to try to
12 prevent the eviction of a low-income family who
13 desperately needs shelter in Rockland County.

14 SENATOR CARLUCCI: I know he was here
15 earlier, so...

16 MARY ELLEN NATALE: He was. He had to go to
17 court for a trial this afternoon.

18 SENATOR CARLUCCI: Yeah, well, we wish him
19 luck.

20 MARY ELLEN NATALE: Thank you, Senator.

21 And thank you so much for convening these
22 hearings, and for inviting us to participate. We're
23 very grateful to be here.

24 I'll keep my remarks brief.

25 We have written testimony, and, basically,

1 I want to echo what you've heard today from all of
2 our partners in the social-services community who
3 are hearing every day from people in need, and who
4 are seeing the results of the gaps in our
5 social-services delivery system.

6 I know that you know our advocate
7 Mary Wallace, who's been working tirelessly on
8 public-benefits issues for years.

9 I'm not our welfare expert in the office.

10 What I do is housing work, and I see every
11 day the impact of the inadequate shelter allowance
12 on our client community.

13 We have the Rockland numbers here.

14 You've heard testimony about how inadequate
15 the shelter allowance is.

16 In Rockland County, for a single-person
17 household, the shelter allowance is \$302.

18 \$302.

19 There is nowhere a person can live in
20 Rockland County with a shelter allowance of \$300 a
21 month.

22 Compare that to the fair-market rent of
23 1,196, that's almost four times the shelter
24 allowance.

25 For a family of four, the Rockland County

1 shelter allowance is \$488.

2 Again, a family of four, in Rockland County,
3 there's nowhere they can live for less than \$500 a
4 month. Or even at the fair-market rent, for a
5 family of four, or for a two-bedroom apartment, for
6 \$1,481.

7 Again, more than three times.

8 There simply is nowhere people can live on
9 the shelter allowance.

10 As you're very aware, Senator, there's an
11 inadequate supply of subsidized housing in
12 Rockland County.

13 People wait for years, literally, years, for
14 the opportunity to live somewhere affordable in
15 Rockland.

16 The shelter allowance is simply inadequate.

17 We see the results every day.

18 Our caseload and the economic crisis has made
19 it even worse for our client community.

20 Our caseloads increased by 50 percent in the
21 5-year period, between 2004 and 2008, compared to
22 2009 to '13, in those recent years, our caseload
23 increased 50 percent in the landlord-tenant arena.

24 And that means for us, we were handling --
25 or, we had almost 2,400 new landlord-tenant cases,

1 mainly people who are facing eviction in
2 Rockland County in that last 2009-to-2013 period.

3 So where do they go?

4 If they are receiving the shelter allowance
5 and they're a resident of Rockland County, if
6 they're on public assistance, they can't rent an
7 apartment, they can't afford it.

8 A whole family will be living in a room; in a
9 room of a subdivided illegal apartment, sometimes
10 with conditions that are so horrendous.

11 We see that they have no water. We see no
12 electricity, no gas, no heat. We see infestations
13 of all sorts of horrible vermin.

14 And we see people who are so afraid to
15 complain, because they know if the place they're
16 living is shut down, they don't have any options.

17 And these are not people who aren't working.

18 These are people who are between jobs, who
19 are trying to work, who may have been injured, like
20 a couple that recently came to our office, both
21 parties needed surgery and were out of work.

22 Hopefully, their surgeries will be successful
23 and they'll be back at work soon. And if not,
24 hopefully, they'll be eligible for disability
25 benefits, many months, or even years, down the road.

1 And in the meantime, in the meantime, they
2 have to live on the shelter allowance, and there's
3 nowhere for them to go.

4 Our recommendation is simple.

5 We echo what you've heard today from people
6 who see this problem every day, who work with people
7 who are struggling.

8 We need to increase the shelter allowance.

9 We would echo the recommendation to start, by
10 increasing it to 50 percent of the fair-market rent,
11 as a start, as a start, at least to give people a
12 fighting chance of having somewhere decent they can
13 live while they try to make a life for themselves
14 and their families here in Rockland.

15 Thank you very much for giving us the
16 opportunity to testify today.

17 SENATOR CARLUCCI: You're very welcome.

18 Mary Ellen Natale, thank you so much for
19 this.

20 And I know we've worked in the past on
21 suggestions, and please keep them coming, and look
22 forward to working with you as we progress in this
23 process.

24 So it was extremely helpful.

25 MARY ELLEN NATALE: Thank you very much,

1 Senator.

2 SENATOR CARLUCCI: Do we have any other
3 speakers that wanted to speak today?

4 Well, I really want to thank everyone for
5 spending the time with us here today.

6 This has really been a real goldmine of
7 ideas, and it's so important that we continue to
8 work together.

9 And my goal from having these hearings will
10 be to really identify a priority list; a priority
11 list of legislation that we can work together on.

12 And I was talking to a few people testifying
13 earlier, and saying that it would be great if we can
14 lay this out before we move into session, so we're
15 not turning around in March and April and June and
16 saying, Hey, do you like this bill? What's good
17 about it? What's bad about it?

18 Let's work those tweaks out before we even
19 step into the legislative session.

20 Let's prioritize around these, and we as a
21 community that's caring about these issues, we can
22 really make a dramatic difference.

23 I like to say, you know, we talk about how:
24 If I give you a dollar, you give me a dollar, we
25 each have a dollar. But, if you give me an idea and

1 I give you an idea, we have two ideas. Right?

2 And that's what we can build upon.

3 So, I've heard so many great -- so many
4 problems, but also so many great recommendations;
5 and who better to come from than the people working
6 on the front lines.

7 So, I really do appreciate your time, and
8 also the commitment that you have to serving some of
9 our most vulnerable population.

10 So thank you for the work that you're doing,
11 and many times, with little resources. You're truly
12 making difference in our state.

13 So, I want to thank you, and look forward to
14 continuing to have the dialogue. And please do
15 consider me as a partner in this way, that we're
16 going to help people in New York State.

17 So thank you for coming.

18 This hearing on the Committee of
19 Social Services for the New York State Senate is
20 adjourned.

21 Thank you.

22 (Whereupon, at approximately 1:51 p.m.,
23 the public hearing held before the New York State
24 Senate Standing Committee on Social Services
25 concluded, and adjourned.)