BEFORE THE NEW YORK STATE
SENATE STANDING COMMITTEE ON SOCIAL SERVICES, AND
SENATE STANDING COMMITTEE ON CHILDREN AND FAMILIES

NEW YORK STATE FORUM

A ROUNDTABLE DISCUSSION ON
THE CURRENT AND FUTURE ISSUES AND CONCERNS OF
HUMAN SERVICES ADMINISTRATORS, ADVOCATES, AND CLIENTS

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250 Broadway, 19th Floor
New York, New York

November 29, 2011
10:00 a.m. to 2:00 p.m.

PRESIDING:

Senator Patrick M. Gallivan
Chairman
Senate Standing Committee on Social Services

Senator Diane J. Savino
Chairman
Senate Standing Committee on Children & Families

PRESENT:

Senator Daniel L. Squadron (RM)
Senate Standing Committee on Social Services

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SENATOR GALLIVAN: Thank you for being here.

I'm Senator Patrick Gallivan, and I chair the Social Service Committee in the Senate.

Senator Diane Savino chairs Children and Families Committee in the Senate.

And we know that we face challenges. And what we thought we could do is, is try to come together to learn some of the challenges.

First, and foremost, we know the economic climate, and we know the strain it's putting on the various human service organizations. And we do understand the budget issues.

We hope today, though, rather than focus so much on the economics and the budgetary issues, we could focus a little bit more on the challenges that you face, dealing with regulations, the laws; suggestions that you may have for us, where we can then try to be helpful.

And I view this as a means to help us as we go into the next legislative session, to help craft, at least for the Social Service Committee, our legislative agenda.

We -- we have a number of speakers today. We hope to get to everybody. We do have a schedule that we'll try to move through. And I know there's

people that had called, that are not on the schedule. We'll try to make sure that we fit everybody in.

The format would be: We'd ask you to come on up -- whoever's turn it is, come and sit up here, and give us your testimony.

It would be better, if you have prepared testimony, or something in writing, that you give it to us beforehand.

And our preference would be that you're not reading, because we can read that, and you really focus on the important issues and important things that you'd like us to try to address.

But with that, before we get started, I'll ask Senator Savino, if you would like to say a few things.

SENATOR SAVINO: Thank you, Senator Gallivan.

I want to thank you for co-chairing this forum with me.

And I want to thank all of you for coming out.

You know, it's been just about -- just over 21 years since I walked through the front door of HRA at 271 Church Street, as a caseworker, and what was then the City's Child Welfare Administration.

A lot has changed in the social-service delivery system over the past 21 years, but a lot has stayed exactly the same.

Every year, we know we're going to go through our annual budget dance. It's been a little bit more brutal the past couple of years because of, not just the shortage of public money, but the demand that government stop spending as much money.

Your agencies and the public agencies have been buffeted back and forth by the winds of politics more often than the winds of policy.

I am sure we're going to have another budget dance this year. And I know that you guys are going to be up there in Albany, advocating, and educating us.

And, quite frankly, you were all very influential last year in helping us address some of the real problems that were in State budget that were proposed by the Administration.

And I know you're going to do the same thing this year.

But one of the things that gets lost along the way, I think Senator Gallivan is right, is we spend so much time in the social-service field, fighting to restore funding or to retain funding, or

to improve funding, that we forget to look at some of the other issues and the legislative agenda that never gets adopted.

So what we hope to do, while we fight to protect funding, restore funding, and retain funding, and improve funding in some places, is also look at:

Some of the regulations that are placed upon the social-service safety net, by the State;

Some of the difficulties in delivering service as a result of the regulatory burden;

The difficulties in obtaining funding;

The difficulties in responding to contracts;

And whether or not the policies that we've imposed upon you actually make sense.

Nobody knows it better than the people who deliver the service.

So, we hope that this is not just the first of -- the first hearing, but the first of many hearings, or interactions, that we will have, to help development a system that better serves our seniors and our children, who, all too often, are at risk in our society.

So, with that said, we're going to go to our

first testimony.

I just want to check to see if the first three are here.

The first person we have on our list, of course, is Bobbie Sackman. I know she's here.

Nancy Waxstein, the executive director of United Neighborhood Housing?

No?

SENATOR GALLIVAN: I haven't seen her yet.

SENATOR SAVINO: Okay, not yet.

Chris Winward is here.

Jim Purcell is here.

So, we're going to start with Bobbie.

And then, following Bobbie, will be Chris Winward, and then, Jim Purcell.

Bobbie Sackman, director of public policy, the Council of Senior Citizen Centers of New York.

BOBBIE SACKMAN: Hi, good morning.

I will apologize in advance because there's a chance I'm going to cough in the middle of this.

My name is Bobbie Sackman, director of public policy, Council of Senior Centers and Services.

I want to thank you for holding this forum because the Committee on Children and Families, and Social Services, actually holds some very

important issues that affect older adults.

And, I'm just going to summarize. I'm not going to read. There's a lot of people that want to speak.

Obviously, the major issue last year was Title 20. It was the second year in a row.

First Governor Paterson, then Governor Cuomo --

Excuse me.

-- proposed what is almost a $25 million cut, which would have closed 105 senior centers. And nobody was elected to office to close 105 senior centers.

And, so, we were very pleased that the Legislature did restore it last year. The Governor accepted the restoration.

So, this year, we have started a letter-writing campaign. We're doing a press conference, which Senator Savino will be present at on Thursday.

Over 15,000 letters, to date, have been sent from seniors to Governor Cuomo, asking him to not put this in the budget again, and save them the heartache and all the work.

One of the things that we're also looking at

is legislation to have language. That way, we don't have to go through this every year.

The Title 20 funding that senior centers falls under is considered discretionary and not a mandated service.

We'd like to put language in there that just protects the money that comes to New York City, under Title 20, remains whole for the senior centers.

There are some other -- Erie, Steuben, and Nassau Counties do use Title 20 for senior services as well.

I think Erie does it for Meals On Wheels. I'm not sure about the other counties.

So, we are going to be looking at language, and, of course, any way you could be supportive.

The other thing is food stamps.

Council of Senior Centers and Services is part of a consortium of nine organizations now that won a federal grant to do outreach and food stamps. And, it's called "Hunger-Free Communities."

And, what was really great about this consortium is, it's brought together advocates for children and for old people.

And, seniors only utilize food stamps at about a 30 to 40 percent rate. It is wildly underutilized.

So, again, anything that would help to do outreach for food stamps. It's 100 percent federal money. Brings money into local communities for businesses. And, obviously, it's money in the pockets of children, families, and seniors.

And, what I've left with you was our Medicaid Redesign Team recommendations, which don't all fall under your committee, but it's really calling for a community-based long-term-care system.

Where it should interest you, I hope, is that, as we move into a managed Medicaid long-term-care world, you will begin to see how people do get hurt, because people always get hurt.

When you're making change and cutting at the same time, nobody can pay attention to all those details except people on the front lines.

So, just to make sure, you know, to keep an eye out. And we believe we do have ideas that are cost-effective, can save the State money, and keep people out of nursing homes, which is what everybody wants.

And just, finally, another issue that does fall under your auspices: Kinship care got hit really hard last year. I think they lost about half of their funding.

And the way the money was put back, was that, certain agencies that kept the money, and certain agencies just got zero. So, it wasn't like it was, somehow, across-the-board cut, you know, here and there.

Every -- some -- so there's a program in the -- the only one of its kind in the United States, in the South Bronx, is the "Grandparents Residence." You've perhaps heard of it.

Presbyterian Senior Services has built a building on New York City Housing Authority property. It's been around for seven or eight years now.

Grandparents raising grandchildren. That's who lives there in the poorest community in the nation, and they lost their kinship-care money, which help pays for the after-school programs, for the kids, for the grandparents.

So, uhm, that's -- that's not the right direction to be going in.

And they have a rate in that building of about -- they have about 90 children. And, to date, most of them, like almost all of them, end up going on to college. And this is not a community, you know, that -- that's often a struggle for young people in that community.

So, anything you can revisit on kinship care would be greatly appreciated.

And that's really -- that's really -- and just to remind you, that -- oh, not to remind you, but to state, really, that, you know, the older you get, what anybody wants in this -- in their lifetime, is dignity to the last breath. And they want to remain as independent as possible; whether it's in the community, or if they become so ill that it needs to be in a nursing home.

But nobody wants to go into a nursing home, and it costs the State a lot of money.

So, really, remaining as independent as possible is really at the heart of human rights for old people.

Thank you.

SENATOR SAVINO: Bobbie, I have one question.

BOBBIE SACKMAN: Sure.

SENATOR SAVINO: I don't know if you guys have question for her.

On the issue of seniors underutilizing food stamps, is there any analysis as to why that is?

Is it, that they're not applying? Do they not know about it?

I mean --

BOBBIE SACKMAN: I think it's a combination of everything.

There seem to be this belief that you don't get a lot. Like, you would get $10, or something, and it was a lot of work.

Which isn't true.

But I think it's just hard for people. A lot of -- and I can only speak for New York City. A lot of seniors, English isn't that first language, so they really do need help. And it's not always the simplist, you know, process to go through.

They need to have their documents in order, which is not always simple.

So, they need help, you know.

And I think some of it is just, really,

sitting down and educating people. And that's what this project will do. But, the more we can help people walk their way through it.

And you're not going to -- if they don't have an adult child or a friend, or somebody, a relative, to help them, they're not going to apply for food stamps.

SENATOR SAVINO: Has there been any discussion about the requirement that they be fingerprinted [inaudible].

BOBBIE SACKMAN: Yeah.

Oh, I'm so sorry I didn't mention that.

We're against that fingerprinting. I mean, that's ridiculous.

Plus, some seniors are homebound, so I'm not sure how you're going to get their fingerprint.

But, it's an obstacle. And we -- you know, we haven't seen that -- that people are abusing the system. And, it does tend to be an obstacle.

So, we are opposed.

And New York City, I believe is the only city in the nation, the only place in the nation, that still has this, because the Bloomberg Administration wants to keep this on the books.

So, you know, if it's working well around the

country, I don't think we have more abusers here than they have elsewhere.

So, you know -- yeah, I'm sorry I didn't mention that. I should have.

SENATOR SAVINO: How do we determine people are eligible for Meals On Wheels, but don't --

BOBBIE SACKMAN: You know, it's very interesting --

SENATOR SAVINO: -- because not everyone pays. Some people contribute, some people don't.

BOBBIE SACKMAN: Well, it's a voluntary donation for Meals On Wheels.

And the way we do it now: Because the case managers are too backed up, they can't go out and assess people, so we have, now, a presumptive eligibility method in the city, where, if the senior calls the local case-management agency, and it's obvious they need a meal, they will get the meal started without even going out to see them.

So, you know, again, you know, why are we -- why do we have such a different standard? Because, there's probably similar kinds of folks, whether they're homebound or not homebound.

So -- and it's a disincentive. And, I think it's an indignity.

I mean, if you're 70, 80, or older, and you've never been fingerprinted, let's say, I mean, it makes you feel like you're doing something criminal.

So, I think it's not necessary.

And I would say, for anybody, any age, not just seniors. So...

Thank you.

SENATOR SAVINO: Okay, thank you very much.

SENATOR GALLIVAN: We've been joined by Senator Squadron, who's a ranking member on the Social Service Committee.

Welcome.

SENATOR SQUADRON: Thank you very much.

SENATOR GALLIVAN: Thanks for having in your district.

Would you like to say a few words?

SENATOR SQUADRON: I want to thank the Chairs of these two committees for doing this. It's -- nothing could be more important.

Unfortunately, in Albany, something that happens is, after the budget comes out, sometimes human services drops off the radar or gets out of the headlines, which is really a tragedy, since this is the basic work that government needs to be doing.

So, to be having this conversation before the budget comes out, while there's still space to focus on it, is critically important, and figuring out what we're looking at.

You know, for a couple of years, we were able to sort of refill the pot on a lot of social-services programs, thanks to the federal stimulus bill, and others. And a lot of those contracts are only now going to zero.

So, particularly interested in hearing about how providers plan to handle that.

And, again, I want to thank the Chair for coming all the way across the state.

I had to come all the way from upstairs, which is why I was late.

Thank you so much.

[Laughter.]

SENATOR SAVINO: But do you have a residential parking permit?

[Laughter.]

SENATOR SQUADRON: That's -- only if you want it in your neighborhood, Senator Savino.

SENATOR GALLIVAN: Chris Winward, director of budget and policy, Human Services Council.

SENATOR SAVINO: Who cares? I do.

CHRIS WINWARD: Yes, thank you.

SENATOR SAVINO: I didn't bring my button. I forgot.

SENATOR GALLIVAN: Good morning. Thanks for being here.

CHRIS WINWARD: Thank you very much.

My name is Chris Winward. I'm director of budget and policy at the Human Services Council.

Thank you so incredibly much for holding this hearing. It's incredibly important, as Senator Squadron well said, that, after the budget, you know, we don't forget about human services; and, particularly, how to help streamline the policies and regulations that affect the providers providing those services.

Thank you, again, for recognizing the increased demand in human services, and the -- and that the economic crisis has had on, both, the ability to provide services, and the need.

While I acknowledge, obviously, that the great strain on our economy and limited resources, I do want to continue to stress the importance of maintaining human services, not only as a cost-effective safety net for those in need, but also as an important economic engine around our

state.

Human Services employ, or non-profits employ, 1.2 million people; or 14 percent of our state's workforce.

And, we also provide -- or, rather, purchase millions of dollars in goods and services for communities, in the communities they need.

There's several ways in which the State can reduce administrative and financial burdens placed on providers that will allow them to better serve the growing need and create savings.

Below are a summary of recommendations to improve efficiencies, and contracting and procurement in particular, which will reduce burdens, both administrative and financially, on the State and human-service providers.

And, also, some recommendations for reducing burdensome policies and regulations.

In improving procurement and contracting efficiencies, the human-service delivery system would benefit significantly from improved efficiencies in these areas.

For years, HSC has proudly worked with our non-profit members in New York City, and with the City government, to streamline the processes in

New York City.

And, we're very happy that many of the following recommendations are actually accomplished or in progress in New York City at the moment.

In March of 2012, we will have a paperless contracting registration process in New York City.

Agencies need to register contracts and make payments in a timelier manner. The -- a paperless registration process would -- is designed to standardize procurement into a standard on-line paperless process that crosses agencies, which is so important.

Obviously, non-profit providers have multiple contracts for different service areas with multiple agencies. Having this paperless on-line system would, actually, greatly reduce the amount of paperwork and administrative burdens, both on the State and the providers.

Within that process, there's a shared electronic-data vault, where non-profits will be able to upload nearly all the documents required to do business with the State, once, and then to update them periodically as needed.

Prescreen: "Prescreening" is a centralized prescreening process that would allow, as non-profit

providers interested in doing business, to be able to determine integrity and capacity to engage in business beforehand, allowing proposals to be focused exclusively on the scope of work, rather than integrity, as well.

Other items include:

A single integrity check, reducing duplicative paper requirements, and using the federal IRS 990 Responsibility Form.

Master service agreement: The State currently has a few master service agreements.

Sticking with social services, they've worked incredibly well in reducing, you know, burdensome, paperwork again. And, saving money.

In the City, we also have just accomplished a standard contract for human services.

Adopting a standard human-services contract significantly reduces the time and costs involved in developing terms and conditions, and making them uniform across agencies.

All of these improvements would create cost-savings efficiencies, and would reduce the administrative burdens on non-profits, and allow them to focus the time and resources where it really matters: on providing high-quality services.

Some additional policies and regulations that would improve providers' ability to spend more time on the actual services provided, would include a centralized financial audit management.

Currently, again, State agencies audit non-profits a few times a year, per contract, per agency. If that was more coordinated, again, that would save a lot of time and money for both the State and providers.

Claims and reimbursement flexibility: Having the flexibility to move funding more freely between -- within, and between, budget categories.

Taxes and fees: Non-profits are primarily funded with public dollars, as you know. When government imposes taxes or fees on these organizations, it essentially demands back the money that it contracts for.

Taxes and fees, such as the MTA payroll tax that was enacted a few years ago, you know, simply creates new administrative expenses, both for government and non-profits, to then process and collect these fees.

So, we would highly recommend that the State discontinue the trend of assessing taxes and fees on non-profits, as -- as they used to be, as

non-profit providers.

SENATOR SAVINO: Everybody hates the MTA payroll tax.

CHRIS WINWARD: Yeah.

So -- and then, finally, I just wanted to mention, centralizing background checks and fingerprinting.

Obviously, it would be much, uhm -- much more beneficial to have agencies talk to one another, and share fingerprinting, rather than having people go through it multiple times.

So, thank you very much for the opportunity to provide testimony.

If you have any further questions, I'm available, or, like to follow up with you.

SENATOR SAVINO: I think you left out the most important one, on the back of the page: Contract Payment Cuts.

CHRIS WINWARD: Well, we didn't want to make it all about, you know, the budget.

[Laughter]

CHRIS WINWARD: But, uhm -- yeah, obviously, you know, especially when contracts are cut mid-year, you know, that's a lot of administrative burden that -- and leaves providers scrambling to

try to figure out resources to be able to provide the service.

If they cannot find those resources, which it's very likely, then, you know, we would hope that the expectation of the service level would also be reduced appropriately.

SENATOR SAVINO: Has that happened often, where, in the middle of a -- of the year, your -- the funding that you anticipated receiving for a particular service is cut?

CHRIS WINWARD: Yeah. Yeah, very often.

SENATOR SAVINO: What do you do then?

CHRIS WINWARD: Well, I think that you should definitely ask some of the providers that are in the room.

We are not a direct-service provider, but, in the past, loans had been more readily available. That is not the case anymore. Lines of credit have ceased to existed for small businesses and non-profits around the state.

SENATOR SAVINO: [Inaudible.]

CHRIS WINWARD: Yep, yep. Yeah.

SENATOR SAVINO: I have one or two questions, and then you guys.

I'm just jumping in front of them, because

ladies go first.

On the shared electronic-data vault, has that been done anywhere else? Any other state?

Do we have any other states that have adopted these practices, to kind of streamline their --

CHRIS WINWARD: That's a good question.

I'm not actually the resident expert in my office, but, we are well on our way with the New York City government to do that.

SENATOR SAVINO: That's something I would be interested in looking at.

And, certainly, the issue of centralized background checks, it makes no sense, you know that multiple agencies have multiple background checks, where there should be one.

CHRIS WINWARD: Processes, yeah.

SENATOR SAVINO: One place where, you know, the not-for-profit world can send their employees for fingerprinting, for State Central Registry checks, for any other background checks, instead of spreading it out among agencies. And, especially, since most of the State agencies are now at the lowest level of the staff themselves.

Anything we can do to lift the burden on the overworked staff there, I think would be better,

so...

CHRIS WINWARD: Uh-huh.

Thank you.

SENATOR GALLIVAN: You mentioned New York City just went to a standard contract?

CHRIS WINWARD: Uh-huh.

SENATOR GALLIVAN: When did they make that move?

CHRIS WINWARD: Uhm, it was just finalized within the last few months.

We'd been working -- HSC has been working very closely with the Mayor's Office, and the Mayor's Office Contract Services, on developing a standard contract, to reduce [inaudible].

SENATOR GALLIVAN: Has it actually been implemented yet?

CHRIS WINWARD: Uh-huh.

Yeah, on new contracts, going forward.

SENATOR GALLIVAN: How -- or it might be too early to say.

How's the transition been with the agencies?

Has it been a positive thing for them?

CHRIS WINWARD: Uhm, it may be a little too early to do a long-range study, but it, uhm -- you know, it's a single contract that a non-profit

and the City can do across agencies, so, you know, it's standard.

Standardizing is a good thing.

SENATOR GALLIVAN: Okay, thanks.

Dan, do you have anything?

SENATOR SQUADRON: When we look at this list of six procurement-and-contracting efficiencies, why haven't they happened?

They sound -- I mean, they sound like absolute no-brainers in the twenty-first century.

Sound like, maybe, they were new ideas in 1985.

But, at this point, what's the holdup?

CHRIS WINWARD: In "Policies and Regulations" section?

SENATOR SQUADRON: Procurement and contracting efficiencies.

CHRIS WINWARD: Oh, sorry.

Uhm -- yeah, uhm, I think, uhm, just the investment in -- in managing the change.

Also, unfortunately, agencies, state or city, are well-oiled machines that are kind of set in their ways. And -- but, yeah, we're making it happen here.

SENATOR SQUADRON: All right, if -- what --

based on your experience pushing for this, what do you think would have to change in order to make this stuff a reality?

CHRIS WINWARD: Uhm, it would take agencies talking to one another, and developing best practices, uhm, and leadership.

SENATOR SQUADRON: Do you have any sense of how much savings you could see, on an annual basis, on the state level?

CHRIS WINWARD: It's hard to determine, but on the city level, we had estimated, between 80 and 100 million.

SENATOR SAVINO: 80 to 100 million dollars.

And, I assume, the scale of contracting, on the city level, is smaller than on the state level?

CHRIS WINWARD: We have $4 billion worth of human-service contracts in New York City.

SENATOR SQUADRON: And at the State?

CHRIS WINWARD: I think it's -- I don't want to be misquoted, but, maybe, 132 billion?

SENATOR SQUADRON: 132 billion; compared to 4 billion.

SENATOR SAVINO: I saved 100 million in the City. [Inaudible] $4 billion.

SENATOR SQUADRON: Well, there you go.

SENATOR SAVINO: We could save a lot of money.

SENATOR SQUADRON: Based on your experience doing the common contract, on the city level, how long it would take if someone actually started focusing on it today?

CHRIS WINWARD: We've been -- we've spent a lot of time, you know, with -- of our collaborative process with the City, that took, approximately, 2 1/2 years. And we should be finished in another year and a half.

But, we had -- we took a lot of time in the beginning.

SENATOR SQUADRON: But, of course, this was a -- that was the first time in, so I'm sure the lesson's learn, and the city level could be applied at the state level.

CHRIS WINWARD: Absolutely.

SENATOR SQUADRON: Thank you very much. Important stuff.

Thank you.

CHRIS WINWARD: Thank you.

SENATOR SAVINO: Thank you.

SENATOR GALLIVAN: Thank you.

SENATOR GALLIVAN: Nancy Wackstein --

I did see -- oh, there you are.

-- from United Neighborhoods.

NANCY WACKSTEIN: Good morning.

Good morning, Senator Savino, Senator Gallivan, Senator Squadron.

Thank you so much for sponsoring this hearing this morning. Obviously, in our world, there couldn't be a more important topic than this one.

The -- my name is Nancy Wackstein. I'm the executive director of United Neighborhood Houses.

UNH, founded in 1919, is the membership organization of New York City's settlement houses and community centers, both old and new.

So, for example, Senator Savino, we have Project Hospitality, in Staten Island, as one of our newer members. I know that you're familiar with them.

And, of course, Senator Squadron is familiar with the seven agencies in his district.

Senator Gallivan, we're still working on expanding to Erie County. We will let you know as soon as we --

[Laughter.]

SENATOR GALLIVAN: Got it.

NANCY WACKSTEIN: And, welcome back to New York again.

The -- our organization is rooted in the history and values of the settlement-house movement.

UNH promotes and strengthens the neighborhood-based multi-service approach to improving the lives of New Yorkers in need, and the communities in which they live.

We now have 37 member agencies working at more than 400 sites in all 5 boroughs, that provide services to half a million New Yorkers every year.

Our multiple services include: Early childhood education; after-school programs; teen centers; "English speakers of other languages" classes; immigration; legal services; GED classes; job training, tutoring, recreation, meals and supportive services for the elderly; mental health counseling; drug prevention; and art, music, and drama programs.

Pretty much everything.

It is clear -- I'm not going to read my total testimony, but it is clear that the safety net for people in need is shrinking, while the demands on it grow. I think that's probably been pretty well

documented.

Many of our programs have long waiting lists of eligible participants.

This summer, for example, fewer than 24 percent of the teenagers who entered the lottery for summer jobs, through the Summer Youth Employment Program, got placements.

Last year, many of our services faced cuts of as much as 50 percent; with services for youth, such as after-school, hit the hardest.

Despite some notable successes, on the state level, such as defeating a proposal that would have likely led to the closure of 105 senior centers in New York City, we believe, and all evidence shows, that we're gonna face another difficult budget year as a result of deficit-closing measures by both the City and the State.

And I think it's important to note, that when we talk about State cuts, they are often compounded, and are on top of City cuts, sometimes federal cuts.

So, our agencies are really reeling from cuts at -- from all three levels of government. And I don't even think we've seen the worst yet from the federal government.

So, we are counting on you and your

colleagues in the Legislature to protect funding for crucial human services this year.

While much of the policy debate in the state, and nationally, focuses on the need to create more jobs, and we know that Governor Cuomo has made job creation and retention one of the keystones of his administration, what is rarely talked about, is that human services, like child care, after-school care, job training, English and GED classes, are indeed "job creation and retention" strategies. And they --

SENATOR SAVINO: You're singing my song.

NANCY WACKSTEIN: And they are essential supports that help people, New Yorkers, obtain and keep jobs.

I think it's fairly elementary, that, if you are a working parent and you have no access to affordable child care, you can't work.

Moreover, our member agencies -- and I'm sure this can be extrapolated to the human-services sector as a whole -- we employ over 10,000 staff members, just in our 37 agencies. And, often, we are the employers who give community residents their first entry-level jobs.

So, our agencies are much more likely to hire

from their local communities than other businesses, and some of our program -- former program participants are now current employees.

So, I think, to look at the human sector -- human-services sector solely as a taker, and not a giver, is the wrong way to look at it, because we are employers. We are often the employers -- the first employers for people who are just trying to get their foot in the door.

So, our agencies partner with the city, state, and federal government, as I said, to maximize limited resources, running effective and efficient programs of real value.

They -- we -- everybody loves the term "leverage" these days.

We raise over $50 million in private donations, from foundations and individuals, to leverage the impact of government funding, and, to make your dollars go much further in communities.

The state government's first priority must be to preserve the core services that support the communities we serve.

We offer below, several proposals to help New York State use its resources well, to provide for low-income communities. And we tried to stay

away a little bit from budget conversations, because we know that's not the purpose of this hearing, but needless to say, we believe that the state government should take a balanced approach between revenue and cuts.

But, I can certainly answer questions about that later.

So, I don't want to read everything here, but, we are asking for the Legislature to take a leading role -- and we've talked to Senator Squadron about this before -- on universal pre-K funding.

We really need some flexibility right now. We are mandated for 2 1/2 hours.

It would be very, very helpful to the city's child-care system, and to those agencies that are providing child care, to have -- be able to have the flexibility to use that for full day care.

And for -- and as I said earlier, for working parents, full day care is the only real option.

So, again, we can follow up with you, and, you know, the Committee staff, on Children and Families, about this, if you want more information.

We are asking you to modify the welfare-to-work requirements for parents of children under one year of age.

This supports your legislation, Senator Savino, that would amend the Social Services Law, modifying the exemption for welfare-work requirements for parent or relative of children up to age 1.

I am happy to answer questions about that.

"YDDP"; YDDP is a funding stream.

"Youth Development and Delinquency Prevention"; many of you know about this.

This is very important funding for us.

This is a funding stream that got hit hard in last year's State budget. It funds after-school, it funds teen, programs here. Again, pretty essential to help families, uhm, and kids.

So, we -- currently, this is a legislative change -- a regulatory change, really -- that would allow agencies to collect fees.

And, we're not talking about huge fees. We're talking about modest fees, that will help them maintain their programs at the time when, frankly, the State and the City are cutting their government funding.

So, we can't -- you can't have it both ways. We can't say to agencies, You can't collect fees -- sliding-scale fees -- at the same time

we're saying, We're cutting you by, 25 percent, or 50 percent; and still expect these programs to exist.

So, that seems to be a very, very easy fix.

And, again, you know, we're not talking about agencies that are going to charge people hundreds of dollars a week. We're talking about modest incremental fees.

The high school equivalency diploma: You know, again, that this is an important piece for a lot of young people.

We have a real problem of disconnected youth in the city of New York, state of New York. Young people who are not in school, not at work.

There's a lot of talk about how to help such young people: either, complete their high school education, or get a job.

The GED exam has been a problem, getting access to it, for a lot of these young people.

So, we want to talk with you, and others in the Legislature, more about developing multiple pathways to earn that high school equivalency, which, again, is related to employment. Many, many jobs require at least a high school equivalency.

And, last -- and, maybe, uhm --

My colleague Bobbie Sackman, from the Council of Senior Centers, talked about this earlier, but, you know, we came in late. It's pouring out, so we had a little bit of a delay in getting here. It started, like, almost sleeting.

SENATOR SAVINO: Really?

NANCY WACKSTEIN: Yes, we have Erie County weather.

SENATOR GALLIVAN: It was sunny when we got here this morning.

NANCY WACKSTEIN: I know. It was sunny.

SENATOR SQUADRON: Is that a metaphor?

[Laughter.]

NANCY WACKSTEIN: And our umbrella was much too small.

[Moans.]

[Laughter.]

SENATOR SQUADRON: Thank you very much.

NANCY WACKSTEIN: Uhm -- so, we want to -- we want to make sure that the discretionary funding in New York State's portion of the federal Title 20 block grant continues to be used to fund senior centers in New York City.

The last couple of years, as you know, the Executive has proposed that this money be mandated,

uhm -- I mean, I'm sorry -- move away from giving the counties the ability to designate.

We think it's very important that they continue to be able to designate. And, in our case, use it for this important purpose.

So, thank you, again, for convening this hearing. It's been, uhm -- it's wonderful that you are focusing on this.

We urge the -- both Committees to continue, in a sense, advocating for us with the Executive. We would like to see more responsiveness from the Governor's Office to our issues. We know there's a -- there are big problems -- other big problems in this state, but we think we're part of the solution.

So, thank you.

SENATOR GALLIVAN: I have a question about Senator Savino's legislation.

NANCY WACKSTEIN: Yes?

SENATOR GALLIVAN: Not of Senator Savino, because we've talked about it.

I'm -- could you explain, just in the material you submitted: You get to the point that this will save $16.4 million if this legislation passed?

NANCY WACKSTEIN: Yes.

MR. GERMAIN: From your perspective, how did you arrive at that?

NANCY WACKSTEIN: Well, I'm going to call upon my able staff person here, Gregory Brender, who is our policy analyst for these issues.

And -- Greg?

GREGORY BRENDER: I believe the actual work, to come to the number, came from the Empire Justice Center, and Federation of Protestant Welfare Agencies.

But they'd done it, based on the estimates of, basically, mothers who would no longer be needing infant/toddler care, which is the most expensive form of care, based on that change.

I don't think that they estimated the full number of people, because they seen some folks would continue because you'd still have the option of receiving care.

But, it was based on estimates of how many people would no longer be receiving care.

SENATOR GALLIVAN: Are you able to take us through it?

SENATOR SAVINO: Well, technically, that's the correct answer to how they arrived at the dollar

amount.

What this legislation essentially would do, it would adopt a policy that was enacted in California, which faced far worse budget crises than the State of New York has faced.

But what it essentially does is, it removes from the child-care pool, the subsidized -- the pool of subsidized day-care slots, women who are on public assistance with children under the age of 1, for a specified period of time. I believe it's only one year, to take them out of the pool, so you preserve the available day-care slots -- subsidized day-care slots for the working poor.

I think Nancy touched on, in her earlier part of her testimony, the need to couple our economic-development policies and our child-care policies.

I think there's a report in today's "New York Times," by the Fiscal Policy Institute, which talks about the job loss in New York State, and the job gain.

We've lost a significant number of high-wage jobs, and they've been replaced with low-wage jobs.

Well, we have to -- if we're going to develop

an economic-development policy that puts people back to work, and talk about job creation, we have to also talk about what makes work pay.

And for many women -- and this is, overwhelmingly, women in these low-wage jobs -- if you take away subsidized day care, or access to quality, affordable child care, they can't remain in the workforce.

So, we have women who have already struggled out of public assistance or low-wage poverty, gotten into the workforce, and they're able to remain there because they have access to subsidized day care or quality, affordable child care.

But, now, we have more women who are on public assistance, who are required to participate in workfare, as a requirement of the federal Welfare Reform Act, but we are not really creating jobs for them. We're -- it's "make work," for the most part.

But, if they have to comply with the workfare requirements, that the federal government says, and the State Social Service Department says, well, we then have to provide subsidized child care, because they're eligible for subsidized child care.

That takes away from the available pool,

which is shrinking. And that means, working women who aren't on public assistance, are going to lose their subsidized day care, which puts them at risk of losing their job, and they cycle in and out.

So if we simply remove, for a specified period of time, the women who aren't working full time, who are on public assistance, for a -- that have children under the age of 1, for one year, preserve it for working women who really need it, we will save the State a significant amount of money.

And, it's also the humane and right thing to do, in my perspective.

NANCY WACKSTEIN: And I agree.

And we're facing, in this coming year, in the city, a loss of about 10,000 slots, because of the City's new Early Learn initiative.

And, because we had some restorations last year, with one-time City Council money, where we have no assurance that it will be continued.

So, at a time when we are at risk of losing slots, I think this proposal makes a lot of sense because there's going be a lot of competition for those slots.

SENATOR SAVINO: We will be back here, for those of you who are interested, on December 12th --

right back here in this same room -- where the Senate Children and Families Committee will be doing a hearing on the Early Learn initiative, and what it could possibly mean.

SENATOR SQUADRON: Just, very briefly, and without getting into budget prescriptions: Can you just take us through, sort of, what a budget picture looks like for the settlement houses across the state, without -- you know, sort of, based on the Executive's proposed budget for the last couple of years, without the restoration that the Legislature has seen?

Are you having actual settlement houses closing down?

What programs cease to exist?

How many people that are served, no longer are?

Just get a sense of the scale, in human terms.

NANCY WACKSTEIN: Senator, it is -- it's a little hard to predict, but, you know, as I said earlier, we're looking for your leadership, to try to make sure that this year's Executive budget -- or, at least this year's approved budget, will not have some of the cuts we saw last year, like,

youth services.

Youth services, to me, took the hardest hit last year, on the state level, and, which seems extremely short-sighted.

And I know that Senator Gallivan has spent some time in law enforcement, and we talked about this earlier: To cut youth services for kids who have no place to go after school or on weekends, doesn't seem to be a cost-effective, or justifiable, solution.

So that's -- that's the area where I'm most concerned in the coming year.

If we get the same level of cuts to, as I said earlier, YDDP, and other funding streams, coupled with the City's intention now, to cut, what they call "OST" -- out-of-school time -- we are at risk of losing thousands of slots --

What's the latest number?

GREGORY BRENDER: 30,000.

NANCY WACKSTEIN: -- 30,000 after-school slots.

So, that -- that --

SENATOR SQUADRON: 30,000 after-school slots.

NANCY WACKSTEIN: If the OST --

SENATOR SQUADRON: What happens to those kids?

NANCY WACKSTEIN: What happens to those kids?

They're either latch-key kids; they're going home on their own. Or, they're hanging out. Or, they're doing things that they probably shouldn't be doing.

Because, for a lot of these kids, they're low-income working families. Their parents are at work. They need something to do until six o'clock.

SENATOR SQUADRON: 30,000 kids, 2 hours a day, with no supervision --

NANCY WACKSTEIN: Yes.

SENATOR SQUADRON: -- 2 to 3 hours a day with no supervision.

NANCY WACKSTEIN: Yeah, I mean --

SENATOR SQUADRON: All right.

NANCY WACKSTEIN: -- you know, I'm not going say they're all going to get into trouble, but they're certainly not going to be learning --

SENATOR SQUADRON: 300,000 unsupervised hours a week, for teenagers and pre-teens, and --

NANCY WACKSTEIN: Well, you're faster than I am. Yeah.

But the, uhm -- uhm --

SENATOR SQUADRON: I haven't worked in law enforcement, but --

SENATOR GALLIVAN: He used a calculator.

SENATOR SQUADRON: I haven't worked in law enforcement, but I can see Senator Gallivan getting very nervous with those numbers.

NANCY WACKSTEIN: But, you're right; it's not only the potential for getting into trouble, but it's, also, the opportunity is lost. I mean, these programs do a lot of help, academically. These programs do a lot of work -- homework help. You know, a lot of cultural-enrichment stuff.

So, it's not just, you know, babysitting. These programs actually, uhm -- sup- -- I guess -- what's the right word? -- supplement, the school curriculum.

And, so, success in school, I mean, is very much based on getting some support after school hours.

And for many of these families, they can't get it from their parents, so they get it from the programs. You know, they don't have to do homework when they get home at 6:30, because they've done it at the after-school program.

So, I think there's a lot of implications here. And that's -- that's an area I'm very worried about.

I think we are also concerned about what all the Medicaid changes will mean for older people.

Older people living at home, homebound elderly people: Is long-term care going continue to be available to the people who need it?

So, we've been monitoring some of the Medicaid Redesign Team efforts.

I know that doesn't come under the jurisdiction of your Committee, but it is of concern.

And, for our agencies that provide home care, if Medicaid is eliminated for the kinds of community services they provide, they will have to shut those programs.

So, I guess youth services and long-term care are two of my major concerns.

The -- the City's Early Learn initiative is going to result, I think, in the coming together of some programs. It's going to shrink the system, there's no question. So, there will be some programs that will close. Some that maybe will combine, if it makes sense, geographically, and,

you know, approach.

But, you know, no settlement house has had to close, yet, but I don't think we've seen the worst of these deficit-reduction impacts. I mean, we have -- whatever happens on the federal level is an unknown.

The State, I think -- you know, look, we -- compared to education, and Medicaid -- you all know this -- which are the two big chunks of the State budget, we represent a relatively small percentage.

So, you know, don't look to us for the savings. I mean, if the State has a $3.5 billion deficit going into the new fiscal year, we're such a small piece. That's not where you should be looking for savings.

SENATOR SQUADRON: And just, very briefly: Do you have a sense of the cost to your agencies in the lack of member items over the last two years?

NANCY WACKSTEIN: Oh, yes, we do. I wish I had brought that. We have a whole list.

But, let me talk -- can you just say a word about member items?

SENATOR SQUADRON: Sure.

NANCY WACKSTEIN: Thank you, Senator Squadron.

Member items are not pork: They're not the Cheese Museum. They are not the road to nowhere, the bridge to nowhere.

You know, it's hard to stand outside, you know, City Hall, or Occupy Wall Street, and say "Restore member items."

This is not -- you know, this is not a rallying cry for a lot of people.

But I can tell you, what member items mean for our agencies is: General operating support.

It means support, to be able to turn the lights on;

It means support, to be able to fix the elevator;

It means support, to be able to actually make up for some of the City and State cuts that have occurred.

So, if you were to cut 30 percent from your after-school program, and you still want to serve the same number of kids you were, you can use that member item to -- to patch that hole.

So, I think it is not extra, it's not enrichment. It's pretty core operating funding for our agencies who are piecing together multiple funding streams, multiple contracts.

So, it helps pay, as I said, for the general infrastructure of a non-profit agency.

And --

SENATOR SQUADRON: But fair to say, that it's certainly in the millions?

NANCY WACKSTEIN: Oh, yeah, yeah, yeah. Oh, it's certainly in the millions.

And, in fact, I can provide you; we had a -- we have a whole list of our 37 members, and what they lost. You know, I just don't have it in my head. But the -- I can send that on.

It's significant, it's meaningful, and it's important.

I don't know how else to say it.

And, again, you know, it's not a popular -- it's not like talking about child care. Everyone understands what child care is, and how important it is.

Member items are as important to our agencies functioning, and continuing to function.

So, uhm --

SENATOR SQUADRON: Well, like, their concern is, that when you're, both, cutting the contracts, and the member items, and the specific programmatic funding, all at once, it's a triple

whammy. And, you know, at some point, it's going go hard to get off the mat.

So --

NANCY WACKSTEIN: And it's very hard money to replace.

I mean, I think you all know, that there's money that is restricted for a certain purpose, and there's money that's more flexible.

Obviously, the more-flexible money is better.

As -- you know, non-profits are businesses, as -- our health-care costs are going up at the same double-digit percentage that every other business in this country.

How do you pay for that, if you're not going the offload most of it onto your already low-paying employees?

So, it's that sort of thing.

It's the -- it's the running of the business. It's making sure that you can pay your utility bill. It's making sure that you can pay your janitor, and your health employ -- your health care for your employees.

You know, this is not -- you know, it's not headline-making stuff, but it's really important for running these organizations.

SENATOR SAVINO: I think you're preaching to the converted on this one.

But what might be helpful for us, is, as you pointed out, no one -- no one's going to get any sympathy if you, you know, join Occupy Wall Street, or stand on the steps of City Hall, demanding the return of member items.

Demand the return of member items, we are painted the same way.

NANCY WACKSTEIN: Self-serving. Right, right.

SENATOR SAVINO: Craven elected officials who are just trying to bolster their own re-election efforts.

It might be helpful, though, for you, and organizations that are in this room, to begin to make that argument to the Governor's Office, who doesn't quite see the value of member items.

NANCY WACKSTEIN: Uhm, Senator, you know --

SENATOR SAVINO: He sees the value of campaigning against these. And this is not a criticism of the Governor per se. But, right now, it's a pert -- you know, no one -- no one's going to lose votes by saying that we have to, you know, curtail this -- these awful member items.

The reality of member items, as you pointed, is a difference between an agency being able to service one more kid; or provide one more meal for a senior; or make one more phone call to someone who's at risk.

That's the reality of member items. And it's $3,000 at a time.

NANCY WACKSTEIN: Right.

SENATOR SAVINO: You know, multiply that by the 212 legislators.

NANCY WACKSTEIN: No, I mean, you make an excellent point. And we can actually document from our agencies, how they use that member-item money.

And, again, you know, fixing the elevator may not be as compelling as saying, ten more kids in the after-school program, but we can choose, because there's a lot of -- a lot that's been lost.

So, you're absolutely right; we need to stand behind, and we will stand behind, people in the Legislature who are pressing for the restoration of some of these items.

And I think you're absolutely right; that we should send a letter right now to Governor Cuomo, talking about that --

Looking at you.

GREGORY BRENDER: Yeah.

NANCY WACKSTEIN: -- that the -- we will -- you know, to really document the impact of this loss.

And you're right; I mean, you know, there's been -- you know, look, that's been crooked, you know, use of this money by -- on -- some elected officials, some non-profits. But it -- it's, what, you know, .05 percent of the total. And the whole thing gets blown out of -- blown out of proportion, "New York Post" headlines.

But I can tell you, the non-profits in our system use the money legitimately, and they use it well.

SENATOR SQUADRON: Thank you very much.

NANCY WACKSTEIN: Obviously, it's an emotional issue: member items.

SENATOR GALLIVAN: Jim Purcell.

SENATOR SAVINO: Before Jim comes up, I just want to check, to see if the next three people are here.

Julie Spitzer or Carol McLaughlin?

No?

Michele Yanche? -- Yancy?

Is Michele here?

No?

Anybody from her organization, Good Shepherd Services?

No? Okay.

Vanessa Ramos?

Susan Welber?

UNIDENTIFIED SPEAKER: Yes.

SENATOR SAVINO: Okay.

Bich Ha -- Bich -- is that how you say it: Bich Ha Pham?

UNIDENTIFIED SPEAKER: Yes, Bich Ha Pham.

SENATOR SAVINO: Bich?

So, the next three, after Jim, will be: Katherine, Susan, and Bich.

Jim, how are you?

JAMES PURCELL: I'm fine, thank you.

First, my name is Jim Purcell. I'm the CEO of the Council of Family and Child Caring Agencies. We represent about 110 non-profit agencies across the state that provide foster care and family-support preventive services, and related services, under contracts with New York City and, virtually, all of the Upstate counties.

Let me first say, that while Chris Winward looks like a very nice person, she will hurt me if

I don't ask the question: Who cares?

And tell you the answer, which is: That I do.

[Laughter.]

JAMES PURCELL: And I advise everybody following me to do the same, because Chris takes names.

I want to thank you, Senators, for convening this hearing, and for taking your time with us today.

Before I go through a few comments, Senator Savino, let me answer your question.

Florida has implemented the sort of document involved that we're talking about here. And I can dig out from my files, someplace, the grid they developed, to convince the State legislature to do it, which has more squiggly lines and arrows, and, allegedly, all of them, literally, true.

They also had one agency bring all the paper to a hearing like this, that they were required to submit to government agencies over a year. And it was boxes and boxes.

I would just point out: One of our Upstate agencies, admittedly, a very large agency in the western part of the state, told me the other day,

that they will undergo 56 separate audits on their various programs this year alone.

Renting the space to house the government auditors is an expense that they'll have to figure out how to do.

Let me start with just some background comments.

The past few years have been especially hard on the children and families of our state. Children and families under great stress are far more likely to be in harm's way.

Sometimes this is the natural consequence of the lack of basic needs, whether it's food or heat or shelter.

The news of chronic shortages in food pantries, and stories of families living in cars, are pushing the census of our homeless shelters to record levels, all attest to these facts.

But the child who's had no breakfast, and is, therefore, unable to concentrate in school, or the young child left unsupervised after school, are even more numerous, and they're significantly less visible.

And we all know that when adults are stressed over their capacity to care for their children,

they, sometimes, more likely to strike out physically in anger and frustration.

All of these things are happening in our state today.

For older teens already far behind in school, the clarity that their prospects of finding any job, let alone, that would allow them to live independently and perhaps raise a family, increase even further their alienation and their despair.

These are not good times for many of our children to be growing up in our country, or in our state, and we all know, you only get to be a child once.

And, yet, even as the numbers of families needing help increase, the resources to help them is dropping. The very programs that survive -- provide these services have been destabilized in recent years.

For those trapped at the lowest rungs of our economic ladder, the question of whether we're gonna have a double-dip recession must seem either completely irrelevant or like some sort of diabolical joke.

Allow me to be very clear: We are fully

aware that New York State, and all of the counties, and New York City, and our school districts, all face extremely challenging budget problems.

We have not requested any real increases in funding in recent years, and we're sure we won't in the next year.

We know that choices that you have to make about scarce dollars are not easy ones, but we also realize -- we must realize that the most vulnerable in our state cannot survive if we cannot find ways to help them to help themselves.

It's a sad and ironic fact that we cut these programs that the poorest and most vulnerable need just as their needs -- their numbers, and the intensity of these needs, increases.

The federal government cuts funding, which forces the State to make further cuts. The State makes cuts, which forces the counties and the school districts to make further cuts.

And, so, in the end, we just keep passing this along until, in the end, there are little in the way of the sort of community support services that so many families depend on.

You asked the question of: What you can do?

The first thing I would urge you to do, is to

be the spokespersons for these children and families, with your colleagues, and help all of them understand, that while the budget must surely be balanced, we can't balance it on the backs of the most vulnerable: our children. And, especially, at-risk kids, who, through no fault of their own, have families which are particularly fragile, or even unsafe.

I won't focus a lot on the budget question, except to point out, that, next year is a critical year in child welfare because all of our funding streams sunset.

The preventive services funding, which I'm happy to say, in the conversations we've had with the local DSS commissioners over the last year, and we put together a joint proposal on what we would hope would happen with child-welfare funding, we -- we all agreed, very quickly, that the single most important thing is to keep preventive-service funding open-ended. It is absolutely critical.

We'd like it to be continued in statute at 65 percent, although it's been whittle down to 62 in the budget cuts over the last couple of years.

We won't even ask for the 65 next year. Just keep it at 62, with the hope that it can go back to

65 when times get a little bit better.

But the open-ended nature of that funding is what gives counties the assurance, that if they spend another $10,000 keeping some kids out of foster care, the State will pay its share of that.

And that is absolutely vital.

And, in fact, it's those preventive services, the question is: Do they work?

20 years ago, there were 65,000 children in foster care in New York State. I remember it.

It was hor- -- you do too, Senator.

It was a horrible time. 51,000 kids in New York City, over 14,000 Upstate.

Today, there are under 23,000 kids in foster care in our state. And, a significantly lower number in residential care as well.

That is, primarily, the direct result of, I would suggest, some better child-protective investigations by counties and ACS, some higher-quality staff and training and support. And, certainly, of the community-based preventive services which now exist all over the state.

And we simply have to preserve that mechanism. If we don't, we will see more and more kids in foster care.

As an aside: I'm told, that Arizona cut their protective and preventive funding a few years ago, and they now have 25 percent more kids in foster care.

Oregon, a couple of years ago, cut mental health services for adults.

It doesn't seem like I'd be here advocating about that, except, they have more children in foster care, because their parents can't get the help that they need to keep them safe.

On foster care, that is funded through a block grant. And while the number of kids is down significantly over 20 year, over 10 years, over 5 years, the kids who do have to come into foster care have a set of needs and intensity that, in some cases, defies description. They are a very needy group of kids, in every way.

The trauma, and what we've learn about the impact of trauma on kids, has helped us do a better job, but there -- we must support those services.

These kids, I like to remind you, are your kids. We have taken -- the counties, the City, have taken legal custody away from their parents. A judge has done that, in the name of the State which wrote the laws.

And, so, these are our kids, and if we -- we have to do well by them.

A few things that I hope we will see in the coming year:

The Governor appointed this past summer, Clarence Sundram, as a special adviser on vulnerable populations. We've had a number of conversations with him, in meetings.

I haven't seen exactly what they're going to recommend. This first came out of some of the exposés about OPWDD group homes. But, I think that Mr. Sundram brings an incredible amount of experience to this. And some of the conversations we've had are very, very promising, that would allow us to provide probably better services, especially for older kids who might be in some kind of residential program, protect them, but at the same time, probably save some money as we do that.

When we look at the funding streams, child welfare is a -- almost incredibly regulated area, both, the content of what workers do, the practice, as well as the procedures, legal safeguards for parents and kids. All appropriate.

The documentation requirements are extraordinary.

So, we need to find some ways to be more flexible.

And two that have been eliminated in the last year, and I'm not arguing with the priority of maintaining the core funding, and letting the stuff that's more on the periphery, go, when you have to do that. But, in eliminating what were called "community optional preventive programs" --

And, Senator, this was a particular problem in Erie County; less so in New York City, Senator.

-- these were locally crafted programs, where the county figured out that there was a particular need in a particular community, and by waiving certain of the regular rules --

Whether it was a case plan for every kid, where you're working in a school where all the kids are at risk, and, if we could do something after school, we don't need to have each family come and apply, and fill out an application.

-- we're going to help this group of kids.

There are substitute documentation requirements, negotiated by the county and the State, but we've had to eliminate those programs. And those are exactly the kinds of locally designed programs, that we would suggest fill niches that

have been identified by local people, and keep kids safe.

Some of the programs that Nancy was describing a moment ago, might well fit into some of those definitions.

And, similarly, there was a small amount of money that was available to OCFS, for what was called "a quality enhancement fund," that was also eliminated.

We'd like to see that notion -- whether or not it's the same rules or not, is a separate question -- but maybe we ought to look for ways to resurrect that notion of innovation and quality changes that would let -- with State approval, but would let providers and counties experiment with a different approach.

There's often a need for some up-front funding for those kinds of things, to get them off the ground, test them out.

I hope some of them don't work, because if every one we try works, then we're not trying hard enough.

But, try some things. If they don't work, kill that one, try something else. But, we need to find ways to bring more flexibility and creativity,

innovation, if you will, into front-line work.

One area that we think would be a particular beneficiary here, and this is also comes from our conversations with local commissioners, is the fact that New York State is still spending, on the order of $140 million a year, to keep 650 kids in out-of-state institutions.

I did the math. That works out to about $225,000 a kid. Some of these costs, per kid, are $300,000.

I can find providers in-state, for 300,000 -- for 295, will figure out a way to help that kid.

What we need, is a way to create some individual-kid flexibility. We don't need to design a whole new program, or convert a whole cottage in a facility, to serve X, Y, Z kids if we have one of those kids.

But, maybe, if the question wasn't, "Can we serve that kid today, with his unique set of needs, with the existing program?" -- if, instead of saying No, we can't, if the question was, "What would it take?" then we start getting people being more creative.

Well, if I -- if I've got a brittle diabetic

kid, for example, maybe I need more nutrition; a dietitian consultation, because I've got to make sure that this kid's diet, every hour of every day, is on target.

Maybe it's, temporarily, an additional worker, to really shadow this kid, to make sure that he blends into the program, and isn't the instigator of violence on a campus.

Whatever it may be, we are continuing to send kids out of state, admittedly, fewer than there were, five, six years ago, but at an enormous cost.

And, by the way, those kids in facilities in Massachusetts and Pennsylvania, they are not importing people from New York to come there and work, and pay their taxes. They're hiring their own people to do this.

So, I must say, when I worked with Mr. Wing (ph.), many years ago, we would go to meetings on kids out of state.

And I used to suggest: We take this problem away from the human-service people, which I used to be one of at the State, because we obviously haven't figured out the answer.

We ought to give this to the

economic-development people, because they will figure out the answer to this.

These are job-intensive programs for these kids. And we're talking about $140 million.

Uhm -- the, uhm -- I want to echo Chris's comments about, fees, and mandates.

At the very moment, where the demand on us is to be better businesses, to figure out your bottom line, to cut unnecessary costs, we're getting more fees. It seems like every local government has figured out, that they can assess a garbage collection fee. In New York City, what, for generations, were free boiler inspections, now the fire department charges for them.

I'm sure they got a budget problem they have to meet, but as Chris said, we're funding these programs with government dollars, then we're paying government fees, and MTA taxes, and rate givebacks on Medicaid, to do, what?

Well, to, you know, subsidize some other part of the budget.

While we get all of those, and I enjoy the MTA as much as anybody else, you know, asking these agencies to come up with that money, and then to watch the State agencies, frankly, decide that that

tax is not a fringe benefit, which would have put on the personal-service side of the budget, it's a cost of doing business, which puts it on the -- I mean, it's just -- it just creates havoc within the way the rate systems work.

The critical issue for our kids, the families, what makes what we do work, when it works, is the relationship between the caseworker and the family.

The Legislature funded a few years ago, OCFS, to do a caseload study, and figure out what caseloads ought to be.

One of the recommendations was, that, in foster care, the caseloads ought to be 11 or 12 kids.

In New York City, our foster-family-care caseloads, right now, are about double that.

And, uhm -- and that's -- that study was done before the permanency law was passed; and it was done before the City instituted a terrific thing called "Family Team Conferencing," which really brings everybody to the table, with the family, to figure out a solution, but, they take time.

According to that State study, if you do the math, a caseworker with 20 or 22 kids on their

caseload, would have 52 minutes a month of face-to-face time with each kid or their family.

And I like to point out, that if it was my kid, or your kid, we would not think that was enough.

And, so, we need to find ways to, either, increase caseworkers, but, that costs a lot of money; or find ways to cut the other things they have to do.

And two areas come to mind.

This permanency law that was passed a few years ago, we supported it. It was a terrific idea.

We doubled the number of permanency hearings in family court.

Judges were going to see kids every six months, instead of every year, to make sure we were moving that case along, and getting that kid home, or freed for adoption.

The promise was, we'd stop adjourning cases.

And, in fact, there was a whole set of provisions, that, if a case had to be adjourned on Tuesday afternoon, it would be heard on Wednesday morning.

It hap- -- unfortunately, it was implemented

in December, I forget the year -- getting old -- but, it was December '07. And Nix (ph.) Mary Brown died in November of '07; and, so, the caseload went bananas.

And so, now, we have twice as many required hearings in family court, permanency hearings, and they often get adjourned. And when they get adjourned, they can get adjourned for up to six months.

So, we go into court today, to say: We've been working with mom. She's not coming around. Her issues are not -- she's not taking this seriously. She's still doing X, Y, and Z. We need to terminate her parental rights.

And the case gets adjourned -- we get the kid ready for this. We tell them what's going happen today.

The case gets adjourned, and we come back in six months.

For six months, essentially, nothing's happening in that case.

We've asked for more family court judges. That didn't work.

I think we need to think about a trigger mechanism in the law, that says: When we're

adjourning X number of cases in a particular county, we suspend the new requirement until we catch up to backlog, and then we reinstitute it.

I'm not opposed to these additional hearings. They're probably wonderful. But if we're adjourning a third of them anyway, we're not really doing the kids any good, and we're tying up workers in court for, on average, three hours, whether or not the hearing's held.

So, I sit in court for three hours, waiting for a case, that then gets adjourned, because the judge has too many other pressing things; or some lawyer didn't show up; or the caseworker didn't show up.

We're all guilty of this.

Now, the other area is in documentation.

There's a lot of complaints about the State connection system.

I'm actually not here today to complain about it.

It's actually been significantly improved in the last couple of years, but there's some legacy problems.

There was a computer system that was -- preceded connections. It's called "CCRS." It's

been around since the late '70s or early '80s.

It's dumb, literally.

Our workers have to feed both systems. They have to put the same information in both systems because connections never got to the point where it could do several functions.

OCFS needs to finish that so we can have 5,000 workers not feeding duplicate systems the same thing.

And, with that, I will thank you for your time, your attention, and your patience.

SENATOR SAVINO: Who wants to go first?

All right.

Thank you, Jim, for your testimony.

So, a couple of good -- some good news for you.

I had -- [inaudible] -- hearings.

I was actually somewhat opposed to it, having worked in the system, and I saw the potential problems.

One: The shortage of judges.

We need 39 family court judges, statewide.

We're not going to get any.

We need seven in the city of New York -- [inaudible] -- every country.

We need them desperately. We don't have the money for it.

So, I knew it was going to create problems, right off the bat.

And, exactly what I thought was going to happen, you've just described.

The unintended consequence of well-intended legislation, you know, the whole idea behind it was:

We want to move kids through the system faster. We want to develop permanency quicker;

We want to have judges have more interaction with the family;

We don't want children lingering. The average length of stay is seven years in foster care.

We all know the statistics.

But without the resources to do so, and looking at the shortage of judges, all it did, was require more hearings, and create more work for caseworkers.

So, I've had two meetings with ACS, starting with them, because they are the biggest of the agencies [inaudible].

And, now, Commissioner Richter, who recently came off the bench, as a family court judge --

[inaudible] -- has an interesting perspective on this.

And I spoke to them about either repealing the permanency law or amending it.

And they have agreed that they are willing to support that concept, because they recognize that the well-intended legislation has created problems for them, and for the agencies.

The reality is: It can take up to two years to get a disposition on an initial Article 10 in a family court.

So, why you would be having a permanency hearing to determine whether a child should be freed for adoption, when you don't even have an initial finding on neglect or abuse, makes no sense whatsoever.

So, we are going to be drafting legislation on that.

I have spoken to family court, Jan Fink, and others, around amending it.

We may --

JAMES PURCELL: Can I just inter- -- allow me to interject for a moment.

I've been around the system for a long time, and I thought I knew a lot of the underlying part.

I learned last year, that the average time to disposition of the underlying child protective case, in New York City, is 13 months.

And my reaction was: We wonder why these parents are so angry.

If it took you 13 months, while you had my kid in foster care, to figure out whether or not I did what somebody said I did in the first place, I'd be pretty angry too.

SENATOR SAVINO: [Inaudible] in order for a family to be serviced appropriately, you have to develop a relationship between the caseworker and the family. And it takes time to build that relationship.

And, so, if you now put the caseworker in the position where they have to begin to process a family for a termination of parental rights, you have destroyed that relationship. And, now, you need a whole new caseworker; otherwise, you're not going accomplish anything -- [inaudible] -- service money [inaudible].

Sorry for that interruption, Jim.

But on -- again, on the permanency plan -- on the permanency hearings, we are going to be looking to -- [inaudible] -- so we'll be looking --

JAMES PURCELL: [Inaudible] some reasonable place to do that.

SENATOR SAVINO: [Inaudible] to help us with that.

And on the -- on the 695 kids who were placed out of state, where are they going?

I mean, are we seeing, like, are they all going to Pennsylvania, or are they going around the country?

JAMES PURCELL: You know, the good news is, 30 years ago, the State found -- that when they first started looking at this, they found those kids in Florida and Texas, and some pretty horrible places.

Almost all those kids today are in contiguous states. They're in Massachusetts, they're in Pennsylvania, are the two biggest.

Just over 100 of those 650 kids, was the last number I saw, probably from June, are foster-care kids placed by the City or the counties, which is down from, probably, three or four hundred a few years ago.

The rest are placed by school districts. And that number's also down, of several hundred of those, there's fewer kids.

And there was a big push on this a few years ago. Again, the Legislature directed the State Council on Children and Families to look at this. And they're the ones who documented, that the very high costs -- some of these out-of-state places have very high rates, which get paid, and then they can have the supports they need to serve some very challenging kids.

I'm not suggesting that our programs today could necessarily take all of those kids back in with existing resources. I'm not saying that.

I'm just saying, that, with some flexibility around resources for a particular kid, I think we could probably serve a lot more of them for less than what we're spending out of state now.

SENATOR SAVINO: But the question is: What is that they have -- what is their service need that we can't provide?

Is it -- are they all the same?

Is it a medically fragile group?

Is it developmental disability?

What is it?

JAMES PURCELL: There are -- that's a mix.

The data on most of the kids would have to come from State Ed. And it's -- while they have

categories, like, "developmentally disabled" or "severely emotionally disturbed," it doesn't tell a very refined picture.

We'd probably have to do that on a retail basis; get down and talk about specific cases.

A number of them are dually diagnose. I mean, that's one of the things that we, frankly, don't do a good job with in this state, is -- my experience on kids, is that, OMH and OMR, one -- OPWDD, rather, ones -- they can't quite figure out who serve as kid who is both developmentally disabled and mentally ill. Those kids often end up in the care of the County DSS commissioner, because nobody else is doing it; or the schools.

And, so, there are a number of those kids out of state. There's a significant number who are severely emotionally disturbed, and probably a pretty good number who are developmentally disabled.

SENATOR SAVINO: At the beginning of this year, I met with the three commissioners: OCFS, OMH, and what was then, OTDA; now it's -- oh, whatever it -- OPWDD --

Thank you.

-- OMRDD; now it's OPWDD.

They said they were going to embark on a

project of examining cross-systemization, to address just that issue.

Have they made any progress, that you're aware of?

JAMES PURCELL: I'm not aware of it.

I wouldn't want to say they haven't made progress, but I'm not aware of it.

I want to repeat, though, the numbers are down. I mean, but I just think we need to keep an attention on this.

And the issue needn't be about, we -- I must say, we use return kids from out of state as a bit of a shorthand.

If the kid is doing really well, and he's been in School X in Western Massachusetts for a year, and he's going to go there another year, I think we ought to make a -- we ought to respect whether that's working for that kid.

I just think we could put the things in place to top the need to place the next kid out of state.

Some of them will come back. Some of their parents will want them back, closer to home. Some may not. I'm not trying to change all of that.

In some ways, I would say, if we weren't smart enough, collectively, to have the right

programs a year ago, when this kid needed it, well, shame on us, and let's make sure he's getting what he needs wherever he is.

It's also true, by the way, that we have no oversight over those places.

And a number of those kids, a very high number of those kids -- I -- we can get you the numbers -- are in a place called the "Judge Rotenberg Center" in Massachusetts.

And their belief is, using adversive techniques on kids, to control behavior.

Back in my day, those were often helmets with ammonia sprays.

They've gotten rid of those now. Now they have backpacks, where they deliver a small electrical jolt to a child who is acting out.

And they get, in most cases, parental permission to do this.

And we still have -- it's why State Ed and the Regents went nuts a few years ago, and created new rules --

"Nuts" was probably the wrong word, wasn't it? I should be more tactful.

I'll revise, and fix my remarks later, if you'll let me.

-- but, they -- they -- they developed new rules about use of adversive techniques. And it gets tricky, because: What's adversive?

If I hold a kid down, is that adversive?

But, it was aimed at this particular program, which is still got, I think, well over 100 New York State kids in it.

And, doing things that you would not be -- you would explicitly not be allowed to do in New York State.

SENATOR SAVINO: Hmm.

Thank you, Jim.

Do you guys have any questions for him?

UNIDENTIFIED SPEAKER: No.

SENATOR GALLIVAN: Thanks, Jim.

SENATOR SAVINO: Thank you.

Next is --

Who's next?

I lost track here.

That was Michele; right?

Because, Julie Spitzer, Karen McLaughlin, is not here yet.

But we do have -- oh, wait.

Who is here?

Katherine?

My -- oh --

SENATOR GALLIVAN: I'm sorry, is someone from Bronx Works here?

SENATOR SAVINO: Katherine McLaughlin?

No.

Katherine Eckstein.

SENATE AIDE: Yeah, go to Katherine Eckstein.

SENATOR SAVINO: Children's Aid.

SENATE AIDE: And then we're going to --

SENATOR SAVINO: And then we're going backwards?

Okay, Katherine, come on down.

(Discussion off the record.)

KATHERINE ECKSTEIN: Good morning.

Thank you.

My name is Katherine Eckstein. I'm the director of public policy at The Children's Aid Society.

I just want to thank Chair Gallivan and Chair Savino and Senator Squadron for being here today.

I will -- I want to echo the sentiments of my colleagues, that I think doing this before the budget is really important because we know what happens around budget time.

So, thank you.

As one of the nation -- I'll summarize my -- my statement.

And, Senator Savino, we have had multiple conversations around child-welfare issues, so I'll also summarize those.

As one of the nation's largest and oldest community-based organizations, Children's Aid helps children in poverty to succeed and thrive.

We do this by providing comprehensive supports to children and their families in targeted high-needs New York City neighborhoods. And throughout the City, we serve about 70,000 children, primarily in 4 target neighborhoods, one of which is in Staten Island.

And, we have a network of community centers, community schools, and health clinics, where we offer 100 programs at 45 sites.

We provide education and youth-development services; foster care, and preventive services; after-school, summer, and weekend enrichment; early childhood programs; adolescent pregnancy prevention; comprehensive health services; legal services; and programs for disconnected youth.

So, all of that to say, we see families at multiple stages in their lives, both on the prevention side and the intervention side, and that will inform my thoughts today.

Every day, we see the impacts of the current economic crisis.

And, again, you've heard from my colleagues so I won't belabor the point.

But, what I want to say is, that, particularly families living in poverty, are experiencing additional and compounding challenges now.

So, it's not just, like, families are facing a housing crisis, or they're facing a health crisis, or their child has lost an after-school program or an early childhood program. But, often, families, and in our experience, more and more families, are experiencing two or three of those issues, and families are reaching tipping points.

And we see that in everything that we do.

Families are losing housing. They need more preventive services from us for child welfare.

And, so, we're particularly interested in the interconnectedness of issues that children and families face.

Just a couple of statistics from our own work.

We -- Children's Aid Society is one of "'New York Time's' Neediest Cases" organizations; and, so, families can come to us for direct material assistance.

Those requests have gone up significantly over the last three years.

On average, last year, we had about 121 requests per month. And this year, to date, we've had about 141.

And, so, you know, families are coming to us with basic needs. They need, you know, winter coats for their children, or Pathmark vouchers because they don't have enough food on the table.

I was at a Thanksgiving dinner at one of our community centers in Harlem last week, and we had more families come to the Thanksgiving dinner than ever before. And, families were asking if they could take home platters of food, because that was the only food that they would be having over the next couple of days.

And, so, I think when we're seeing the reality of what kids and families are facing, this conversation is particularly important.

We, obviously, appreciate the tremendous budget challenges that all levels of government are facing. And we, like organizations around this room, have cinched our belts. We have done more with less. We have cut service. We've had to say no to families.

And, we are now, much like families, reaching a tipping point, where we -- where it is very difficult to provide high-quality services with what we're funded to do.

Well, I'll give you an example, and Nancy talked about this a little bit, but, just, the after-school system in New York City:

Three years ago, the City was serving -- and it used to be the largest in the country -- was serving 85,000 children.

Come this September, the City will serve 32,000 children.

That is a two-thirds -- almost a two-thirds cut in the system. And part of that money that funds the New York City system is funded by YDDP, which is the "Youth Development and Delinquency Prevention" program, which we know, at the state level, was cut significantly.

So, you know, in the first couple round of

cuts, we were able to, you know, cut an enrichment specialist, cut an art teacher. We cut the number of days we were serving holidays.

Now we're having to cut entire programs.

So, Senator Squadron, you asked some of the effects of these cuts.

We're having to cut -- we're having to close sites. We have closed sites at a couple of our schools, because we can't -- we can't cut anymore else. We're cutting into infrastructure, and then we wouldn't have the kind of staff ratios that we need for kids, et cetera.

So, you know, I know that the focus of today's hearing is not on -- is not on the budget, but, I'd just like to echo some of my colleagues' comments, that, if we cut programs that we know to be effective, that are preventive, we will end up paying more down the road.

And, so, anything that we can do to help you make that case, please let us know. We have statistics, we have testimonies.

I think it's -- you know, I think cutting to the bone now will just -- we will -- we're going to pay for it later.

So just a couple of, kind of, regulatory, or

non-budget-related, issues that I want to highlight.

The first: We also, like Nancy, support the amendment to the guidelines around being able to charge fees.

You know, again, we never want fees to be prohibitive for families. And, so, we should never not serve a family if they can't pay, but given sort of the trifecta of budget cuts that we've heard, it's really important for us to be able to have that option.

Something that folks have not mentioned yet, which I'd like to mention, are the revision of the "school-aged child care" regulations; the SAC regulations.

So, just an example: Right now, for example, in New York City, for those folks running after-school programs in schools, we're regulated by the Department of Health; whereas, the schools are regulated by the Department of Education.

We have two separate licensing guidelines that we have to deal with.

So, the State -- or, the Department of Education deems it safe for a classroom of children to be in a classroom all day. And, then,

the after-school program comes, and there are different regulations; and, so, there's maybe not the proper kind of cover on a radiator. And, so, we're then fined -- the organization is fined that's running the after-school program.

So, we, along with many of our colleagues, led by the New York State After-School Network, has developed a set of recommendations around aligning the SAC regulations, or amending the SAC regulations.

And, we've worked with OCFS to vet the revisions. And the youth-development community stands ready to do whatever we can, to make sure that that is passed.

I won't spend a lot of time on child welfare because we submitted testimony to the State, I guess, a month and a half ago, but, to echo what Jim said, just, you know:

Sufficient and flexible funding, obviously, is so important.

Funding for preventive services should remain uncapped. We know what a difference the investment in preventive services makes.

And, then, just, also, we have shown, through our own work, what reinvestment can do.

So, taking foster-care savings and reinvesting it into preventive, we've actually gotten better results for kids. We've gotten to permanency faster for kids in the child-welfare system.

So, we would encourage, uhm -- we would encourage initiatives like that to continue, even in these time of economic -- of economic challenges.

And, then, uhm -- and I know that this not under the purview of your two Committees, but it certainly affects children who we're all responsible for, in the Medicaid Redesign conversations, we are advocating for the Medicaid foster care per-diem rate to be kept. These children -- it's a very small portion of money that we spend on Medicaid, and it is -- it allows us to be able to effectively manage that health care, which is, oftentimes, very complicated for kids who are in foster care.

And, then, on contracts processing and reporting requirements, we support -- we're a member of the Human Services Council. We support HSC's recommendations on all of the contracting, and the S -- central registry alignments.

Just to highlight a couple of things:

You know, as a provider, we've had to wait six months, a year, a year and a half, for contracts to be processed, or to get reimbursed for existing contracts.

And, you know, that has -- in the past, we have been able to front cash, for expenses, but that is really no longer an option, given the situation that we're all in.

So, you know, anything that can be done around the processing of contracts would be greatly appreciated.

And, then, you know, just to respond to a couple of items that have come up:

Children's Aid, over the years, has been, uhm -- has received generous member items. And, as Nancy said, it is not pork.

We have funded a Parent Leadership Institute in Washington Heights, for -- from a member item, where we have trained parents in business and entrepreneurial activities and advocacy. We have funded after-school programs. We have received capital money to redo a community center.

So these are -- this is money that -- I know I'm preaching to the choir -- but that is so critically important. And, since it no longer is

coming from the federal government as well, we're all in a crunch.

So, I will stop there.

And, thank you so much for convening -- convening this hearing.

And, we are your partners in this -- Children's Aid is your partners, and we look forward to working with you, to try to preserve this critical funding.

SENATOR SAVINO: Just one or two questions, and then I'm done, because you and I, we speak all the time.

In your child-welfare categories, you have put in after-care service for families being reunified, and after-care support for adoptive families.

One of the questions I've asked OCFS, and even ACS -- they claim they can't track this -- is the success rate of adoptions; particularly, children who are coming out of the kinship system.

They say they can't track them.

I'm particularly interested in whether or not they're successful after the fact. And if they're not, why?

You know, many of these families were

vulnerable to begin with, and not just in their initial home, but even in their foster-care placement, with their extended family.

And, one of the things I would like to look at, and maybe work with you guys, going forward in the future, is:

If there is a higher rate of failure of adoption among cases, that have come out of the kinship system.

And if they are, why? And what can we do to prevent that?

Because, disrupting a child again, and having them go through the system again, is, you know, I think, a trauma that we should do everything possible to avoid.

So, if you guys have any information on that, I'd be interested in seeing it.

And anybody else that's anybody else in the child-welfare field.

KATHERINE ECKSTEIN: Great. We'd love to work with you on that.

SENATOR GALLIVAN: Thank you.

SENATOR SAVINO: Thank you.

KATHERINE ECKSTEIN: Thank you.

SENATOR SAVINO: Everybody else is here now.

UNIDENTIFIED SPEAKER: Except for [inaudible], our last one, but yeah, we're back on track.

SENATOR SAVINO: Okay, so we're going backwards now, to where we were supposed to be.

Julie Spitzer, from the New York City Family Eviction Preventions Supplement Program.

JULIE SPITZER: Thank you for having me.

I apologize, first of all, that I was late --

SENATOR SAVINO: That's okay.

SENATOR GALLIVAN: Not a problem.

JULIE SPITZER: -- and of having to go back.

I'm here, actually, on behalf of Bronx Works. It's a community-based organization in the Bronx that service families at risk of eviction, and keeping them out of the homeless shelters.

Right now, I think we're at a point in time where homelessness is on a rise. It's probably at the highest peak it has ever been.

And I'm here to talk to you specifically about the New York City FEPS Application Assistance Program that was funded by the Office of Temporary Disability Assistance. This program was previously known as "HPP"; the Homelessness Prevention Program.

It's a program that helps people apply for one of the last subsidies there is, the "FEPS" subsidy -- the Family Eviction Prevention Supplement -- which assists people who are at risk of eviction; families that are at risk of eviction, that are on public assistance, that at risk of eviction, from losing their homes.

Currently, the FEPS program has been cut by approximately 46 percent.

With the turmoil that's happening with Advantage, which I'm sure everyone knows about, in the City, there's approximately 6,000 families at risk of losing their homes or ending up homeless.

FEPS is one of the most successful eviction-prevention programs there is, and it's been cut.

Currently, my programs have three centers that we provide FEPS services for.

We're able to currently serve 400-and-some-odd families, with the cuts -- the 46 percent cut.

However, we are seeing approximately 2,000 families per month coming to us. And with their only being able to service 436 families in the Bronx, we're turning away approximately 1,500 people

who can potentially end up in shelter.

The cost to provide the services previously, was approximately $836 -- yeah -- $833.

And the cost to keep someone in a shelter is about $3,600.

With these cuts happening now, at this time and date, it's detrimental.

The lines outside the courthouse are wrapping around city blocks.

The lines in welfare centers, it's taking people four hours to get in.

With just 2,000 people coming to see our -- my organization, I can imagine the impact on the rest of the city.

So I'm asking for the State Senate to, please, restore the funding cuts, because it's more cost-effective to keep these programs fully funded than to cut these programs. Especially, this is the only subsidy out there for families right now. There are no other subsidies available to keep low-income public-assistance recipients in their homes.

And, this program has proven to be effective. We served about 6,000 people last year. Very successful.

And with these cuts, 46 percent cut just in the Bronx, where the Bronx has the highest eviction rate, because we have the highest poverty rate in the whole city.

So, what I'm here today to ask, is, if -- in the next year's budget, if we can consider restoring the cuts to these programs, because there's nothing else left. And, we're very effective.

Thank you.

SENATOR SAVINO: A question, Julie: What's the cost of the sub- -- what is the subsidy valued at each month, to a family?

If they come in to you and they're seeking eviction-prevention services, what do you guys provide, besides representing them in court, I'm assuming?

JULIE SPITZER: We assist them with court.

We help them fill out the applications, because there's only certain providers that can provide FEPS application assistance. You have to be trained in order to do it.

The providers that are currently doing it is: Catholic Charities, CAMBA, Queens Community House, and Bronx Works. And, certain legal-aid and legal-service organizations can also provide the

FEPS application.

So when a family comes to us who's at risk of eviction, the reason most of the families that are coming to us that are at risk of evictions, is because the shelter allowance, as you know, in New York City, is unsufficient to pay rent.

SENATOR SAVINO: What is it now?

JULIE SPITZER: For a family of three, the shelter allowance is $400.

So, there's no place in New York City you can find an apartment for $400, obviously.

SENATOR SAVINO: You can't have a bathroom for $400 in New York City.

[Laughter.]

SENATOR SAVINO: It hasn't gone up that much since --

JULIE SPITZER: Well, it used to be, I believe, 286. And it went up to 400.

Since the Gigas (ph.) lawsuit was won, it went up to about $400, but, we still need to supplement; to help people enroll in the FEPS supplement, which would bring a family of three up to, like, maybe $900.

And that's somewhat reasonable, but not much.

So --

SENATOR SAVINO: So you supplement?

If they're eligible, your -- the FEPS would supplement them?

JULIE SPITZER: FEPS -- yes, the FEPS supplements them.

SENATOR SAVINO: For how long?

JULIE SPITZER: Well, the supplement is supposed to be until they're off public assistance, or, five years.

SENATOR SAVINO: Five years.

Is there a dollar -- is there a capped dollar amount on it, like the Advantage Program was; where it was a certain dollar amount over a specified period of time, or whichever came first?

JULIE SPITZER: No. It's five years.

The cap is the maximum rent allowed for each family, uhm, size.

SENATOR SAVINO: And what's the max -- so, an average family of four, what's the maximum rent allowed?

JULIE SPITZER: $900.

SENATOR SAVINO: $900. Okay.

JULIE SPITZER: But the family is also able to, out of their public assistance, contribute some of it towards there.

SENATOR SAVINO: Whatever their shelter allowance --

JULIE SPITZER: Yeah, from their shelter --

SENATOR SAVINO: -- for their family size is.

JULIE SPITZER: -- well, the shelter allowance, plus, out of their food, and other, money, which is very little.

SENATOR SAVINO: Right.

JULIE SPITZER: So they get -- you know, I don't have the figures on top of my head, but, a family of three may get, something like, 200-and-something dollars, or -- and then they'd have to contribute any difference from there, up to $100.

SENATOR SAVINO: And how many families have we been able to prevent from being evicted --

JULIE SPITZER: Last year --

SENATOR SAVINO: -- in -- with this program --

JULIE SPITZER: -- 6,000 people.

SENATOR SAVINO: 6,000?

JULIE SPITZER: Uh-huh.

SENATOR SAVINO: And just in the Bronx?

JULIE SPITZER: No. In the Bronx, it was 3,000.

SENATOR SAVINO: Okay, so, 3,000 in the Bronx, 6,000 citywide.

JULIE SPITZER: Yeah.

SENATOR SAVINO: Okay.

Does the program exist in this in the rest of the state? Do you know?

JULIE SPITZER: No --

SENATOR SAVINO: Just in New York City?

JULIE SPITZER: -- it's only in New York City, because the rents in New York City are unlike the rest of the state.

And that's why this program has now been block-granted with other State programs. And, it's not the same, because New York City is -- it's extremely different than other cities in the state.

The rents are enormous. The eviction rates are enormous. There's a lot more people.

The poverty rate in -- just in the Bronx, is the highest in all the congressional districts, and I think in the United States.

So, it's --

[Laughter.]

So, it's different.

So, we're asking if we can have this.

I mean, it's heartbreaking for me to see, you

know, 2, 000 people coming to my doors, and I'm only able to serve, approximately, 400-and-change.

Where are all those other people going?

We give them referrals to other places, but when they go to the other places, they're all saying the same thing: There's just no resources. There's just nothing.

SENATOR GALLIVAN: How do you determine who you serve? First come, first served?

JULIE SPITZER: First come, first served.

We can only see -- I mean, with the cuts that we receive, we can only see but so many people.

At each site, I have, maybe, three or four workers.

I mean, my largest site is the Melrose Job Center. And, we're being told that we're getting 1,100 tickets a month, just at that center, for people to see our office, with three or four staff in there.

We can't service that many people. We just can't. Not with these -- I mean, we used to have a budget of a million-and-change. And now it's -- they've cut it by 46 percent.

And, at this time, where there are no subsidies available, this is the only thing that's

available, why would you cut this very important program?

It's detrimental, I think, to people.

Where -- the lines, if you've -- I mean, my office is located side-by-side to the courthouse -- near the Bronx courthouse.

And, literally, this morning I walked out my office, the line outside of this Bronx Housing Court wrapped around a city block.

It's -- and it's like that every day. And it's heartbreaking.

It's, the holidays are coming. It's, where do you expect these people to go?

SENATOR SAVINO: Uh-huh.

What happened to the Homeless Diversion Unit?

JULIE SPITZER: They refer the clients to us.

SENATOR SAVINO: Okay, so they're still there?

JULIE SPITZER: They're still there, but a lot of their job was dealing with families, is to refer them to our program, because that's only thing.

I mean, there's -- with future -- if you're on public assistance, there's no ability to pay your rent unless you have a supplement. That's just the

bottom line.

So, unless you're saying, all of these people on public assistance just have to make their ends by themselves, there's no way to get around it. They have to get on a supplement because there's no apartment out there for $400.

SENATOR SAVINO: Unless they're living in public housing --

JULIE SPITZER: Unless they're living in public housing. Or, subsidized housing.

SENATOR SAVINO: -- or some other -- subsidized housing.

JULIE SPITZER: And, right now, they're on -- I mean, there's not enough public house for everyone.

Subsidized housing, there isn't much anymore, but FEPS. And if you don't have access to FEPS, then you're sort of denying people their right to have the subsidy, because we don't have the capacity to serve everyone.

So, if 2,000 people are coming to me, and I can only serve, you know, less than 500, you're telling the rest of the people: We just can't serve you.

SENATOR GALLIVAN: How much of your funding

goes to a subsidy --

JULIE SPITZER: I'm sorry?

SENATOR GALLIVAN: -- versus the people that are helping others?

JULIE SPITZER: I don't understand the question.

SENATOR GALLIVAN: How much -- of your 980 -- or, 948,000 funding, that funding that comes to you from the State --

JULIE SPITZER: Uh-huh?

SENATOR GALLIVAN: -- how much of that goes directly to clients?

JULIE SPITZER: It doesn't go directly to clients, because the subsidies --

SENATOR GALLIVAN: It's providing for the staff to --

JULIE SPITZER: -- it's providing for staff --

SENATOR GALLIVAN: -- that provides the assistance --

JULIE SPITZER: Exactly.

We have to staff each office with a certain amount of people; because, like I said, 1,100 people cannot be served by --

SENATOR GALLIVAN: So you, essentially, cut

your staff in half?

JULIE SPITZER: Yes.

SENATOR SAVINO: So where does the subsidy come from?

I think that's the other question.

JULIE SPITZER: The subsidy comes from the State --

SENATOR SAVINO: So the money's there?

JULIE SPITZER: -- and the federal government.

It's there, yeah.

The money's there. It's just -- the money for the subsidy is there.

It's, just, who is going to help people apply for the subsidy?

So, that, we're limiting -- we were providing the subsidy, but we were limiting the access to the subsidy, because there's not enough people to process those applications.

SENATOR SAVINO: Ah, ha.

JULIE SPITZER: So that's the problem: There's not enough people to process the applications so people can get the subsidy.

The subsidy's already there.

So, it's about: We can't serve as many

people that need the service.

And that's the same thing that's being said in all the boroughs; and, especially, the Bronx is probably the worst.

We just don't have the manpower to serve all those people.

If we had enough manpower, then we could serve the -- the applications; eviction prevention is a very, very complex thing. And providing the FEPS application, it's -- the applications are way thick. You have to understand welfare-management system. You have to understand housing-court information and terminology, and stuff.

So, you, in order to process that application, it takes a lot of time to process an application.

SENATOR SAVINO: And HRA doesn't do this in-house, and neither does DHS?

JULIE SPITZER: No.

SENATOR SAVINO: Even though they have the Homeless Diverse Unit?

JULIE SPITZER: No, they don't do that.

SENATOR GALLIVAN: Do --

JULIE SPITZER: It's contracted out.

SENATOR GALLIVAN: I'm sorry to interrupt.

Do you appear in court on behalf of the clients?

JULIE SPITZER: Well, we advocate on behalf of the clients. We're not attorneys, but we do go to court, because we have an office in the courthouse as well.

We work very closely with the supervising judge, Madhavan, in the courthouse.

So, what we do is, we go before the Court, and we tell them what's going on with the process; whether or not the client qualifies, whether or not the rent breakdowns that the landlord provided are accurate.

Because, we -- we review the welfare system's printouts that provide information on what checks was given to the landlord. Because, a lot of times, what landlords try to do, is they try to put in late fees or non-possessory fees into breakdowns.

We -- that's -- they're not possessory, so we take them out, and make sure that the tenants's only paying actual rent, and not fees, and, you know, repair bills, or whatever, that the landlord tried to cramp in. And, legal, and late fees; anything else that the landlord is trying to cramp

into rent, and trying to evict the tenant for.

So, we'll work with the tenant, to make sure that they're being fairly charged, and that they're given sufficient enough time to process the FEPS application, because it takes four to six weeks for a FEPS application to actually get processed from the State.

So, we have to advocate, to make sure that they have enough time in court, so that they can do this.

And the judges work very closely with us to do that.

So, we're actually less expensive than a legal-service provider that would charge a tremendous -- well, a lot more money to do this work. We do this work for half the cost.

And, we're effective, and we've been effective. We've had success rate over 90 percent.

The program is effective.

It's just, that, right now -- and I thank the Senate, because, in the past, you've been supportive in making sure the program has stayed open.

And, we're threatened by cuts from the Governor's Office, and stuff, but, each year, the Senate and Assembly has seen the importance of it,

and brought it back into the budget.

But, unfortunately, this year, it's been brought back in, but it's been cut to the point where I have clients yelling and screaming and knocking down our doors, saying: Why can't we get an appointment?

Telling the judges they can't get appointment.

I mean, my staff can only work but so many hours per day. And they have to take a lunch hour.

And I've had to tell HRA this as well: My staff has to take a lunch hour, and they can only work certain hours per day.

They cannot -- you know, I can't have four people in one center, and -- each center I have, I have about four -- three to four staff in each center, but we have 1,100 people coming to us.

We can't do that. It takes over -- you know, it takes up to an hour, to two hours, to process an application. We can't service 1,100 people coming to us.

SENATOR SAVINO: HRA gives you space in the center?

JULIE SPITZER: Yes, they give us space in

the center.

SENATOR SAVINO: They don't charge you for it,though, do they?

JULIE SPITZER: No.

SENATOR SAVINO: Okay, well, that's good.

JULIE SPITZER: That's good.

Well, that's good, uhm -- but it's, still, we need to be able to see all the clients that are coming in. And the cut is tremendous.

So, we ask that in -- we know that there's -- may not be much you can do for this year, but, maybe next year, if you can work with us, to increase, and bring us back to what we used to be, or, close to it.

Thank you.

SENATOR GALLIVAN: Thank you.

SENATOR SAVINO: Thank you.

Next is --

SENATE AIDE: Michele Yancy.

SENATOR SAVINO: Michele Yancy?

Michele Yancy.

SENATOR GALLIVAN: Welcome.

MICHELE YANCY: Thank you.

Good afternoon.

Thank you for providing this opportunity.

I'm Michele Yancy. I'm director of public policy at Good Shepherd Services.

I want to use my time, really, to focus on the agenda that you have before you, that was compiled by the New York City Youth Alliance.

Good Shepherd Services is an organization that provides youth and family, domestic violence, school-partnership, services in New York City.

And, we participate in a number of coalitions that represent our work, and the work of the fields in the areas in which we work: in youth services, in child welfare, in domestic violence, in summer youth employment, et cetera.

And we work on many of those policy committees, executive committees, to help craft recommendations that really represent the voice of our own organization and the clients we serve, as well as the field of providers and families and young people in New York City. And really feel that these organizations represent us, as providers, extremely well.

And, so, I want to, both, specifically focus on the Youth Alliance recommendations, but also just lend our particular support to a number of other recommendations that you'll be hearing, on which

those organizations will be testifying directly.

The Youth Alliance was not able to get a separate slot, so I will be using mine to that end.

I am -- I also want to echo many of the comments that were made by my colleague Katherine Eckstein, of the Children's Aid Society.

Our two organizations are, in many ways, sister organizations. We work very closely.

I could spend a lot of time saying the same things that she said about what our families and young people are experiencing.

So, instead, I will give -- will leave more time for others here, and just say: Ditto.

I do want to, specifically, just as an anecdote, say, that we had the same experience with our Thanksgiving dinner.

We have a community center we operate in a school in Red Hook, that had a Thanksgiving dinner the Sunday before Thanksgiving.

It was actually profiled very nicely in a daily news article in the Sunday edition of "The Times," the Sunday before Thanksgiving.

And, we had the same experience with families just wanting to take home whatever they could because they are struggling so tremendously in being

able to put food on the table.

Katherine did reference the school-aged child-care regulations, so I won't say as much about that.

If you look on the back, I want to particularly highlight the State policy priorities, given the focus of this hearing.

You know, we, as an organization, as a provider, who works in a number of schools throughout New York City, really struggle with the impact of these regulations on our services.

And Katherine, you know, gave you a list of the many issues, so I won't reiterate that, only to say: That an enormous amount of work was put into developing these recommendations, which really was led by the New York State After-School Network, in which we also participate, Children's Aid Society also participates. Many of the others you may hear from today, do.

And, really, this is a really wonderful set of recommendations to alleviate the, you know, non-sensical burdens that the school-aged child-care regulations place on our -- on schools.

And we work -- we started from the perspective of saying, we would not even address

anything that's -- that really was an issue -- presented an issue of safety for the children. And we focus, you know, very much on, you know, red tape, and administrative burdens; things that just don't make sense. Or, things that were already declared fine for the school day, but, somehow, not for the after-school programs.

So, we would really urge you to address, you know, to work with us, on really trying to move -- move this through the Governor's Office.

And as you can see from our recommendations here, we worked very closely, also, with the Office of Children and Family Services, who vetted these proposals.

And, so, a lot of stakeholders from many, many different sectors, including providers who are actually working in the schools, put this together.

And, so, we would be happy to do whatever we can, to work with you, to try and get this passed; especially, right now, because many of these items are resource-consuming. And it just don't make sense, when it -- or, especially, right now, comes so directly at the expense of a young person being able to have that experience in the program.

The second -- the second piece, is that, we, as the New York City Youth Alliance, want to --

And you can see, if you look at the bottom of -- or at the top of the first page, all of the umbrella organizations that are members of the Youth Alliance. You can see this is a very broad and extensive network of organizations in New York City.

And, we, Good Shepherd Services, as a provider, actually are -- participate in several of these umbrella groups.

Our combined organizations really want to lend our support to the proposed amendment, which was -- is -- that you can see all the numbers highlighted here -- but, specifically, to the -- to eliminate the prohibition that exists now, that, essentially, prohibits localities from enabling their State-funded programs, but ends up extending to all of, even City-funded, or locale -- local-funded, programs from charging a fee.

We're not making any specific recommendation on whether programs should charge a fee.

What the recommendation really would do, was -- would be, to just eliminate their prohibition, and -- that's at the state level; to

allow that decision to be made at the local level.

And, so, in New York City, for example: The New York City Youth Services portfolio receives now, only, approximately, $3 million in YDDP -- "Youth Development/Delinquency Prevention" -- dollars.

That, you know, unfortunately, is a funding stream that has been cut dramatically. And, I would be remiss without really saying something, which I will say, just very briefly when I'm finished with this, about the larger package of budget issues here, even though I know that's not the focus.

But, New York City matches -- quote/unquote, matches that. It is a -- it's a matched funding stream, with over $100 million of city tax-levy resources.

And because we receive that $3 million, which we overwhelmingly overmatch, New York City cannot allow any of its contract agencies or providers or programs, even if they don't get one cent, actually, of that $3 million, from -- from being able to implement a sliding-scale fee in their programs.

I mean, that's the way that the -- such a large blanket prohibition, and really doesn't make

sense.

And, so, we are in favor of removing that as a -- as our prohibition.

And we especially do, though, want to lend our support to ensuring that it's coupled with the mandate, that it doesn't become something that prohibits a young person who can't pay, from being able to participate. And that it be coupled with the -- you know, if there is a fee that's going be charged, that it be a sliding-scale-fee system, so that families that maybe can pay something would be able to, but a young person wouldn't be prohibited from participating if they can't.

And, so, while this isn't a budget agenda, you know, the reality is, that our programs are so extraordinarily constrained.

And I won't, you know, say anything about the specific recommendations, but just to highlight, that this is our -- will be our state agenda, which many of us will be coming to Albany to meet with you about, and really includes recommendations in summer youth employment, after-school and youth-development programs, run-away and homeless-youth funding, GED, and, sort of, State Ed-related issues, as well as the policy issues that I raised.

And I do want to thank both of you for the leadership that you lended, speaking of the issues related to State Ed, around the January Regents advocacy.

And that will certainly be another battle this year, but, your -- you know, your vocal support was very much appreciated.

So, I'll just wrap up by saying: That we -- we also participate in a number of other coalitions.

We want to -- many of which you have heard from, or will be hearing from -- we want to lend our support, first, to the testimony you'll be hearing from the Coalition of Domestic Violence Residential Providers.

We are a leading organization in that coalition.

We have an organization -- we have a Safe Homes project that we operate in Brooklyn. We serve up to 11 families at a time, providing domestic-violence emergency shelter, which, you know, roughly translates, at any given time, into, approximately, 20 individuals, including, you know, families with children.

And, we want to specifically lend our support

to the recommendation of allowing for the optional 45-day extension to the current mandated cap of 135 days.

For many of our families -- certainly not all of our families -- but, for that portion of families that really need that extra time, it makes a difference between, them being able to transition to a safe permanent housing, versus, returning to their abusers, or to the shelter -- you know, to homelessness, or to very, very safe -- unsafe alternatives.

And then, finally, to lend our support to the testimony you heard from Jim Purcell, of CFCCA; in particular, our support for returning to the 65 percent; but, most importantly, maintaining the uncapped and flexible nature of the funding for the Medicaid Redesign recommendations that Jim highlighted, and, for the purpose of this hearing especially, the workload and mandate relief items.

We fully support all of those. And, it would really make a huge difference to us, as a provider of, both, child-welfare prevention, as well as foster-care and adoption services.

Thank you.

SENATOR GALLIVAN: Two questions.

MICHELE YANCY: Sure.

SENATOR GALLIVAN: You may not know the answer to this.

Regarding the SECC regulations, and the recommendations made to the State, do you know the status of where those recommendations sit?

MICHELE YANCY: My -- the last I had checked in on them --

And any of my colleagues who may have a more recent update.

-- was that they had really gotten stuck in the Governor's Office.

SENATOR GALLIVAN: Okay, thanks.

Second has to do with the Safe Home Program, and the DV shelter they operate as.

So, you have capacity to be assisting 11 families at a time?

MICHELE YANCY: We have 20 beds; so, it roughly translates into 11 families at a time. It does depend on, obviously, how many children come with each adult.

But, roughly, it's 11 families at a time, yes.

SENATOR GALLIVAN: So, you would have room to

accommodate more, but you think -- but -- but regarding the additional 45 days, you believe that that part is needed, not to accommodate more people, but to accommodate a family into transition?

MICHELE YANCY: Right.

So, we only have 20 beds. So, we can't -- without, you know -- without a new contract, or a new funding, or a -- and a new piece of property and facility, we couldn't expand in that way. But, we do -- we would have the ability to enable, if it were possible, to have families stay, those -- that portion.

And it's not -- it's certainly not, by any means, the full 100 percent of families that we serve, but that portion of families that we serve, that, really, are not ready to leave at the end of the 135, we would have the ability to allow them to stay, up to an additional 45 days, if that were possible.

SENATOR GALLIVAN: All right, let me ask it, kind of along the same lines, a little different way.

So let's just say, that, that you then had the option to extend an additional 45 days.

Would you then have to turn families away?

MICHELE YANCY: So -- yeah, so, the Coalition of Domestic Violence --

UNIDENTIFIED SPEAKER: We represent the Coalition --

SENATOR GALLIVAN: Okay, well, if you're going to address that, we'll defer.

MICHELE YANCY: Yes, she will.

I just wanted to --

UNIDENTIFIED SPEAKER: Okay. Sorry [inaudible] to interrupt.

SENATOR GALLIVAN: No, that's okay.

Thank you.

MICHELE YANCY: Most importantly, wanted to --

UNIDENTIFIED SPEAKER: [Inaudible] the 45.

MICHELE YANCY: -- the 45 days is a very high policy priority for Good Shepherd Services, which is why we wanted to specifically lend our support. But, on the content of the issues, certainly, I think the coalition can better represent, and answer your questions.

SENATOR GALLIVAN: All right, thank you.

SENATOR SAVINO: Thank you.

We'll move on to the next.

[Laughter.]

UNIDENTIFIED SPEAKER: Sorry to interrupt.

SENATOR GALLIVAN: No, that's okay.

SENATOR SAVINO: It's okay.

Next --

SENATE AIDE: Maria Victoria Mayoral, for the Hispanic Children and Families.

SENATOR SAVINO: -- Maria Victoria Mayoral, for the Hispanic Children and Families -- Committee for Hispanic Children & Families, Incorporated.

Come on down, Maria.

Maria Victoria.

MARIA VICTORIA MAYORAL: So, good afternoon.

My name is Maria Victoria Mayoral, and I am the director for the Early Care & Education Institute at The Committee for Hispanic Children & Families.

I'll say, right off the bad, that this is the first time I do this, so, bear with me.

I actually -- CHCF has been a voice for the Latino communities since 1982. And, we take pride in the ability to bridge our multi-service programs in youth development and early care in education, with our advocacy initiatives.

So, we're, uhm -- we're always trying to make sure that we're getting the pulse from the community

on what's going on, and their issues, and trying to make sure we bring that back.

So that's why I'm here.

I want to thank the Chairs, Senator Patrick Gallivan and Senator Diane Savino, and the members of the Committees of Social Services, and Children and Families, for giving us the opportunity to testify.

Understanding the budget constraints: I'm here today to make sure that I talk about concrete issues that are -- that we're facing right now when we're dealing with -- in the early care and education arena.

In New York State, as you know, we're continuously striving for a quality early care and education. So, the word "quality" keeps being said everywhere; right?

And, in an attempt to improve our efforts, we recently submitted our application to New York State's "Race to the Top, Early Learning Challenge" grant.

In that grant, we have to -- as a state, we have to roll out the quality rating system.

So, again, parents are concerned about the quality of early care education that their children

are receiving. And we, in our -- from our end, we're concerned about: How do we prepare and equip these child-care providers, who deal with this quality rating system, in a way that it makes sense for them, and that they're able to actually go through with it?

So, basically, I'm here to talk about two main things.

The main -- the one of them is: The hiring and the retention, and professional development, of a culturally and culturally -- culturally and linguistically competent workforce, and the access to materials in English. And, the lack of access, actually;

And, then, the fact that we need an increased child-care-subsidy availability for low-income working families.

So, first of all, in terms of the retention and the professional development, I don't know how much you know about the child-care-provider world, but, when a child-care provider decides that they might be in a situation where they're taking care of their own kids. They don't -- they're out of a job.

We heard a lot of people talking about the lack of jobs, the lack of -- the financial

situation is very tough for everybody.

So, they want to become a child-care provider, they want to become a professional, and they want to help others be able to work; right?

That's what a child-care early education professional provides, as well as education for these kids.

So, when a child-care provider decides to do that, the first thing that they might encounter is that the application is only in English. There's no translation into Spanish for that application.

That might seem very simple for some people, but, unfortunately, that presents a huge problem because, these child-care providers might be immigrants. They might be -- have -- maybe they're learning English, and they know a little bit, but not enough.

The application is this thick (indicating).

And what happens is, that they're not able to actually sit down and write up. And if they're able to find somebody to help them, it takes them four or five or six hours, sometimes seven hours, to fill this out.

Once they fill it out, sometimes they make mistakes. We have to go back.

It really puts a burden on the child-care providers being able to actually get licensed.

And I know there's a big push to put unregulated care into regulated care so that we're able to monitor these child-care providers.

So we are, for -- on one hand, we're pushing the licensing process; but, on the other hand, we're not giving them access to actually getting there.

So, New York State has an obligation to provide this information in multiple languages.

I'm sure you already know this, but according to the Civil Rights Division and Justice Department, the -- we're required, that:

"Public funds to all, which taxpayers of all races contribute, may not be spent in any fashion that encourages, entrenches, subsidizes, or results in racial discrimination."

Most of the kids that are being taken care of in our systems, in our early childhood systems, right now, especially home-based child-care providers, are Spanish speakers.

So, we're talking about, we want to make sure that we're empowering enough people to be child-care providers, that are able to communicate with these children, that are able to encourage dual-language

learning, and that are able to actually teach these children in their own language, and get them, also, ready for school.

The other issue that we're facing within the same topic, is that: Less than 30 percent of the total training organizations New York State offer training opportunities in Spanish, and, only two agencies offer bilingual child-development associates credentialing.

So, this is a huge gap. We're talking about, like I said, the facts say that, 80 percent of community-based teachers, and 68 percent of those who are at school-based, reported Spanish as the first language of the children.

So, we're not talking about a minority here. We're talking about a big majority.

And anybody, that I'm sure that works here in early education, will know that. The community is huge. We're -- 1 in 5 children in New York State are -- or -- are Latino, and we're a group that continues to grow.

Also, as part of the design team and field test for QUALITYstarsNY, which -- will -- is going -- getting rolled out, as we speak, CHCF fully understands the importance of this project.

We think it's going to be very helpful for parents to understand what the quality is of the places where they want to take their kids. But, at the same time, we want to make sure that there's a culturally proficient, comprehensive, and tiered education program and process, so that we are able to make sure that, uhm -- that the -- like I said, the child-care providers are equipped in that. Whatever their strengths are, are being highlighted as well.

A lot of the systems right now, are based on -- on -- on values that we consider our own values, but we want to make sure that everything is considered in that system.

The limitations and the opportunities are further thwarted by the fact that Hispanics represent only 4.4 percent of the State workforce. These numbers reflect an immense disparity between the percentage of Hispanic people in New York State, which is 17.6 percent, and the percentage of New York City population who are Hispanic, which is 33.3 percent.

New York State should do about better job of recruiting a workforce, and we can start with the child-care providers.

Okay?

The need for an increase, this is the other topic that I want to talk about, and, uhm, there's a need for increased child-care-subsidy availability.

Parents come to us, all the time, and they'll say: You know, what? I can't get subsidy.

And, it's frustrating.

And, I do know that this is tied to the budget, but it's about rethinking the budget.

So, how can this work?

So, according to the Emergency Coalition to Save Child Care: Under federal law, families on public assistance are guaranteed child-care subsidies.

Okay, great.

So -- however, families that are not on public assistance, though they are considered low-income working families, are not guaranteed child-care subsidies.

Because there's only one pool of funding for both populations, we are being faced with a zero-sum game model; which basically, is, the cost of providing care, and public-assistance family grows, which we know is growing -- there's more families, and more families on public assistance --

we're also increasing -- decreasing the available funding for low-income working families.

So, we're concerned for both populations.

Okay?

With decreased subsidies, children on low-income working families will be subject to inconsistent early care and education during critical developmental stages.

So, more and more, we're learning, and knowing, that these first years of life are crucial for a child -- for child development, for human development. And, as a nation, we're behind in education.

So, we really have to start at these early years, and invest, and make sure that we're doing whatever we can with these teachers, and these parents, to make sure that these children are receiving what they need to receive.

So, we are -- I think we can do, as much as -- we have to try, at least try, to lead -- to make sure that we have, uhm -- that we're not perpetuating the cycle of poverty. That we're -- that we're helping people with child care.

A parent without child care cannot go to work. And as unemployment continues to increase, we

have to make sure that we're providing, not only the opportunities for people to work, or the slots to work, but also the opportunity for them to have their child in a place where they can get educated, because they're the future of this country.

So, with that said, I want to urge you to take account, equity, culture, language, when making decisions in early care and education.

I want to make sure that more Hispanics are represented in the workforce, and have equal access to information and resources.

And, again, we can start with something as simple as, translating the application. And that can make a huge -- a huge impact for everybody.

And, we will have to make sure that we're helping low-income and poor New York families receiving quality education, by supporting English-language learners, and people that are trying to be dual-language learners as well.

And, helping people that want to go to work, because, at the end of the day, that's what we're up here for.

So, thank you.

SENATOR SAVINO: Thank you, Maria.

Cultural competency is important in every public-service delivery system, but probably no greater -- in no greater way than it is in social services, because people need help. And, they can't communicate, they're not going to receive help.

We've always had a problem, though, in both the state and in the city, and locally, in attracting Latinos to public service in the social-service field.

That was true when I was a caseworker, and it continues to be true today.

I'm not quite sure why.

I do know that one of the problems you encounter, though, if you are a Latino social-service worker, you get saddled with the translation work for all of your co-workers.

MARIA VICTORIA MAYORAL: Yes.

SENATOR SAVINO: And, after a while, you stop doing it. You don't get compensated any more for it. There is no language differential, even though many of the public-sector unions have tried to negotiate a language differential. But, it's a -- it almost acts as a deterrent to someone.

So, if you are Spanish speaking, and you can assist clients, you don't get a break on your own caseload, and you wind up doing the work for everyone else.

But what I've never been able to understand, and I've actually had conversations with the State Civil Service on this: What -- what we -- what can we do to recruit Latinos, into public service, into social service?

What steps can we take?

Because, there seems to be -- we're failing somewhere, and I've never been quite sure what it is.

MARIA VICTORIA MAYORAL: I think it all starts with education and empowerment.

I think, unfortunately, some people -- can you imagine getting to this country, and saying, Okay, I want to work; and, then, not being able to fill out the application?

So it starts right there.

I think, once people are in that -- in that zone, where they're getting the education that they need, they're empowered, they're learning what "advocacy" means.

That's something else that we do at the

Committee; is that, we teach people to be advocates on behalf of themselves, on behalf of the kids that they work for.

But I think it does start with education.

And, if these kids, early on, are getting messages that, I'm going to leave you by the TV all day long, with your grandma, because I can't afford to take you to a high-quality child care.

And, then, that child goes into school, and they're already behind. And they already don't know how to read and write, and all the rest of the kids know how to read and write.

And then they go into middle school. And then they're facing disconnected youth.

I'm sure you've heard of that.

SENATOR SAVINO: Uh-huh.

MARIA VICTORIA MAYORAL: Those teenage years are crucial, because, what happens is, that if you're feeling disconnected, you don't feel empowered, and you don't feel like you can make a difference.

And I think civil -- you know, the public sector is about making a difference, about feeling that you can. And that's -- there's a very psychological, and education, component that

drives that.

And, unfortunately, we're not doing a good job.

SENATOR SAVINO: Yeah.

And it's -- again, it's the same problem today as it was, you know, 20 years ago.

MARIA VICTORIA MAYORAL: But we can change that. And I've seen it.

I've seen providers that will get here, and they'll say: You know, what? I want to become a child-care provider.

That's -- that's a step. And then -- and I keep referencing them, because that's a population that we work with. But, there's different ways to do it.

But, then they'll -- from taking care of one child, they'll learn: Wow, education. Wow, I can make a difference for this child.

And then they'll be able to attract more children. Then they can get their associate's degree, their bachelor's degree.

And some of them now, are business owners. These are small-business owners, that can grow their business, that can feel empowered, and they're leaders in the community.

So, that's when you see -- you see the growth.

And a person like that could, potentially, be part of -- part of the decision-making, at some point.

But, it is -- it is a problem.

SENATOR SAVINO: It's very -- it is a big problem.

MR. GERMAIN: Thank you.

SENATOR SAVINO: Thank you.

Next up, Susan Welber, from the Legal Aid Society.

SUSAN WELBER: I guess it's afternoon.

Good afternoon.

SENATOR GALLIVAN: Good afternoon.

SUSAN WELBER: My name is Susan Welber. I'm a staff attorney at the Legal Aid Society, in our Civil Practice Law Reform Unit.

And, I'm very grateful, as are all of us at the Legal Aid Society, that, Senator Gallivan and Senator Savino, that you've called this hearing, and given us an opportunity to testify.

As you may know, the Legal Aid Society, which is based as a huge non-profit law firm in New York City, our civil practice represents approximately

40,000 individuals, in various cases and -- every year, as well as, indirectly, and directly, impact hundreds of thousand of other clients through our class-action litigation, and other law-reform work.

As you -- I'm sure you're aware, and other people have testified today, the recent census data shows that the poverty in New York City, particularly the deep poverty, which is, living at less than half of what the ordinary poverty level is, is on the rise in New York City.

And I think the statistic that's most jarring, is that, over 21 percent of children under the age of 18 in New York City are living in deep poverty, which is really extraordinary.

We're very aware that the Legislature and your Committees face a very daunting task in making sure that New Yorkers are provided with an effective safety net and a route out of poverty, and at the same time, face down the State's own revenue challenges.

So, our testimony is focused on four areas that we hope that both of your Committees will focus on in the coming year. I'm going to highlight some specific items, out of order that they're in

the testimony, but I encourage you to carefully look at our testimony, which we included as much as we could on these topics, as a reference tool after, you know, the hearing.

The four topics that we want to address are:

Conserving child-care resources;

Two: Taking steps to reduce erroneous sanctions, and giving families on welfare a meaningful opportunity to move from welfare to work;

Three: Preserving the grant increase that's slated to become effective in July of 2012 this year: the welfare grant increase;

And, finally: To eliminate barriers to accessing the social safety net, including this FEPS issue, that Ms. Spitzer referred to, and which Legal Aid is very familiar with.

The first issue that I wanted to highlight is: Prioritizing the allocation of scarce child-care resources.

And this is something that we know Senator Savino is extremely familiar with, as she sponsored the excellent legislation last year, that was also sponsored by the Assembly, and that we hope will be passed this year, because it's an opportunity to, both, save the State money, and help

working families. And it's really a win-win.

There's no question that, as the last speaker just said, access to child care is one of the most significant anti-poverty tools that the State can provide.

And as you know, the State has been forced to cut millions of dollars in the New York State child-care block grant. And, as a result, many children in low-income working families are losing access to child care.

Because New York State law guarantees child care to families on public assistance, there's a guarantee for those families.

The impact of the child-care block-grant reductions will fall on the low-income working families who are not on public assistance, because the public assistance families have the guarantee.

The bill that Senator Savino and Assemblymember Titus introduced would amend Social Services Law, 332(d), to offer parents on public assistance, with children under the age of 1, the opportunity to -- the option of not participating in welfare work programs for a year.

And, because, you know, we assume that, at least a certain percentage of families will take

advantage of that opportunity, given the exigencies of trying to care for very young children, and, participate in any program or education program, we think, you know, a certain number of families will take that option of being exempt for a year.

This would save the State millions of dollars in child-care money.

We estimated, based on 2009 figures, that even if just 40 percent of the -- you know, primarily, mothers of children under the age of 1, took advantage of the option not to participate in work requirements, and, therefore, not need the State's subsidized child care, it would save the State $16 million.

In states, such as California, that implemented a similar rule, not only did they save the child-care funds, but they saved millions of dollars in administrative costs needed to maintain those work programs that, you know, there was a less of a demand for because significant number of people were not participating, at least for the period of time that their children were very young.

And we think that, you know, if the same held true in New York State, this would be another $12 million in savings for the State.

So that's number one.

Number two: We wanted to talk about sanctions, and sanction reform.

You know, often, when you think about sanctions as a social-policy tool, you think of them as a tool for promoting participation in work programs.

You know, the thought is, that if a family is threatened with a sanction for failing to participate in the work program, then they're going to participate.

But, this doesn't work when there's an incredibly high rate of erroneous sanctions, which is the situation in New York City.

When the sanctions are erroneous, there's no motivation on the part of the family. They don't need the motivation to comply. They want to comply, but they're being sanctioned, through no fault of their own.

So, we want to discuss ways in which your Committees could help to address this problem, and also save the State money.

First, it has to be recognized that there's a very high rate of public-assistance recipients, particularly in New York City, who are sanctioned at

any given time.

Some of the most recent statistics show that close to a quarter of welfare recipients in New York City are, either, being sanctioned, or in the process of being sanctioned, at any given time.

And as I said, many of these sanctions are erroneous. They do not prove to have any basis in fact.

The City is saying: You failed to show up to this appointment. You failed to do X, Y, or Z.

But, the facts are showing that that's not the case.

And one piece of evidence of the erroneous nature, you know, aside from the, you know, hundreds, and thousands, of cases that we see every year, where we've investigated the facts, is the State's own fair-hearing statistics.

Of the number of fair hearings that -- the overwhelming number of fair hearings that are requested on sanction issues, are reversed; or, the City withdraws the notice that was imposing the sanctions.

So this is a huge waste of State resources, OTDA resources, in terms of, having to administratively handle the fair-hearing request, to

conduct the fair hearings; when, ultimately, such a huge percentage of them result in not having been necessary.

One of the reasons there's so many erroneous sanctions in New York City, is because of operational errors that are caused by the City's computer systems that are -- you know, were developed, to provide more efficient services to such a large population of persons receiving welfare assistance.

And one of the operational systems that causes these errors, we call "auto posting."

Through auto posting, once the time for a client appointment has passed -- you know, let's say Mrs. X is asked to come into the center at 12 noon on a Friday.

After 12 noon has passed, a computer will automatically initiate a non-compliance report for the appointment, unless, a worker, a live worker, inputs into the computer that the person showed up on time, and was there.

If the worker, you know, because of overwhelming caseloads, and overwhelming demands at the center, delays indicating that Ms. X showed up, the computer is going to assume that

Ms. X didn't show up.

Let's say Ms. X is disabled, and she needs an accommodation from the City, and the City grants the accommodation, of coming earlier, or coming a day later, for her appointment.

Unless that's, somehow, told to the computer system that conducts the auto posting, Ms. X will be considered not to have shown up.

This results in thousands of erroneous sanctions, and adverse case actions being taken against families.

And, the errors always run against the clients. They never run against the City.

So, I think I've given you a taste of why this is such a big problem: There are too many sanctions, and too many of them are erroneous.

And, I want to briefly highlight the impact this has on our clients, as well as the State.

For our clients, many of whom are participating in various work activities and education programs that are approved by HRA, and in compliance with the State, and helping the State's participation rate for compliance in these programs, when they get sanctioned, they're out of the box. They're not able to participate.

Many of them want to participate. They need the child care that they're guaranteed, to do that participation. And, they want to continue in their education program, and get a job.

I mean, no one in their right mind wants to be on welfare if they can help it. It's just not enough money.

So, when they're sanctioned, they're derailed.

Beyond that, their family loses a significant share of their meager income, in that, a pro rata share of their income is lost of their public-assistance income.

Families, also, are more likely to face homelessness when they're sanctioned. Different subsidies that people are eligible for, to help them pay their rent, get reduced disproportionately, or have in the past, gotten reduce disproportionately, when a family is sanctioned.

And, often, you see these families who are lining up around the Bronx courthouse, many of them are facing sanction, and that's why they've fallen behind on their rent.

The sanctions also cost the State a great deal. As I mentioned, they cost the State in

unnecessary fair hearings.

This year, we can expect 300,000 fair hearings to be requested for New York City recipients, alone.

And, you know, given that, about 25 percent of the caseload is facing sanction, at any given time, many, many of those hearings are involving sanctions, and all of those hearings cost the State money.

The sanctions also cost the State money because of the way that participation rate is calculated.

If a family has been in sanctions for 3 months out of the past 12, which -- and many families are automatically sanctioned for 6 months if they've been sanctioned in the past -- that family is taken out of the denominator in considering the State's -- I'm sorry -- is the -- remains in the denominator in calculating the State's participation rate.

So, the higher the sanction rate, the lower the State's participation rate, in many cases.

In many cases.

So what do we think that the Legislature can do about this?

We have two recommendations.

One is: That the State can take -- the Legislature can take steps to help prevent sanctions, and improve the participation rate, by giving clients the opportunity to avoid sanctions before they're imposed.

How would you do this?

Well, the Legislature had the foresight, in 2006, to actually adopt legislation that calls for this.

Section 341 of the Social Services Law, states, that: Notice that gets sent to anyone who the City is threatening to sanction, must include instructions for how the person can avoid the sanction, by agreeing to comply before the sanction goes into effect.

But OTDA never implemented regulations actually making this a reality for our clients.

So even though Section 341 of the Social Services Law provides this opportunity to avoid the sanction, it doesn't, in effect, exist for our clients.

Food-stamp regulations, federal regulations, as well as fair-hearing regulations, provide for the same opportunity for a family facing a food-stamp

sanction to avert the sanction before it goes into effect.

However, this is not a meaningful opportunity because the State and the City are not offering this as an opportunity for our clients.

So, we would ask that the Legislature ensure that the law that's already on the books get enforced, by encouraging, or mandating, OTDA to implement regulations that would make this a meaningful law.

We also think that the Senate should take a leading role in addressing the high percentage of sanction participants, by adopting a same-as version of a very sensible sanction bill that is embodied in Assembly Bill Number 3423, which adopts sanction reform by two primary means.

One is: It requires social-services districts to ensure that the family being sanctioned is not otherwise exempt from work requirements before imposing the sanction.

So, it asks: Does the family have child care?

Which is already mandated by State law; that if the family doesn't have child care, they can't be required to participate.

Is the family disabled?

Does HRA already know that the family is disabled? If so, don't impose a sanction on them.

This bill would, really, just amplify the legal requirements that are already, elsewhere, exists on the books in the State Social Services Law.

It would also amend State Social Services Law, Section 342, which currently requires durational sanctions.

So, the first time a family, a mother of a child is sanctioned, she is sanctioned only until she agrees to comply.

The second time, it's three months.

And, then, the third, and every subsequent time, it's six months.

This bill would say: No. If you're willing to comply, the sanction ends.

This helps the State's participation rate; avoids fair hearings; and, then, gives the benefit to the family of being able to participate in the education, training, and work-program activities.

So, we encourage you to look more closely. And, we're happy to provide our services, as

resources, for any questions you might have about these sanction-reform issue.

Third: We encourage the Legislature to ensure that the law that's already on the books, providing for a grant increase for welfare-receiving families, does pass this year -- or, does not get blocked this year, when it's due to go into effect July 2012.

Last year, the Governor's budget delayed the increase for a year, to save money.

We think that the savings, which are, really, not very great, are not worth depriving families who are already receiving less than half the poverty rate of, you know, a meager grant increase that can make -- it doesn't sound like a lot to many of us, but could make a huge difference in our clients' lives.

And we put down the amounts in our testimony. You can refer to, exactly, how much is at stake for families.

Finally, we urge the State Senate to break down barriers that are preventing many of our clients from accessing the safety net.

There are three main barriers that we focus on.

One is: Disabilities.

We encourage the Legislature to enact legislation that would require OTDA to adopt a quality screening tool, to screen for physical and mental disabilities, including learning disabilities. And, require local districts to offer disability screenings to clients soon after they come to the agency for help.

Many of the erroneous sanctions I was referring to, they're caused because a client is disabled.

This would help many clients in all aspects -- disabled clients in all aspects of their maintaining and accessing public assistance that they desperately need.

In some cases, while they're waiting to become approved for SSI, which is, you know, a federal benefit that many of our disabled clients are eligible for, but it takes a long time for them to obtain.

FEPS: Ms. Spitzer I believe, from Bronx Works, eloquently spoke about the need for FEPS.

FEPS, as you pointed out, is a program that is not being cut by the State. The subsidy is

available to any family that's eligible.

The problem is, that families can't access FEPS without the help of trained assistants.

And, currently, HRA is not providing that assistance. The State is contracting with these various providers to help people access the benefit.

And, there have been huge cuts.

And, Senator Savino, I think you'd be interested to know, that, right now, from what we heard most recently, there is no one in Staten Island that is funded to help clients access FEPS.

Legal Aid, and legal services, we do it, but we don't get funded.

Contrary to what Ms. Spitzer says, we don't get funded to provide this.

We do do it, however, but we have limited resources. We can't provide this service to everyone who's facing eviction, and who needs FEPS, and who's eligible for it.

And it's really critical that OTDA report on all actions that it's taking to ensure that all families who are eligible for FEPS in New York City can get.

And, we encourage, on both of your Committees, to use your oversight role to ensure that OTDA is making sure that every possible person who can get FEPS, gets it.

Finally, I wanted to also point out, that, although New York State has led the country for a long period of time, in ensuring equal rights for its citizens, including, most recently, with the adoption of the Same-Sex Marriage Act this year, the anti-discrimination laws that are on the books in New York State do not mention sexual orientation, or -- and, don't include an expansive definition of "gender" that includes gender identity and gender expression.

And, we think that many of our clients who do get discriminated against on the basis of their sexual orientation, or on their gender identity, would benefit greatly in all aspects of State-provided services, if the law was revised to expand, and catch up with, you know, the other laws that are on the books; particularly, the OCFS regulations, and the OTDA regulations, for the purposes of today's hearing.

So, if -- unless you have any questions, those are the main issues we wanted to cover.

I'm sorry, I took up probably a lot of time doing that, but there's -- you asked, and we have a lot of things that we would like to see you help us with, so --

SENATOR SAVINO: Oh, not at all. I'm glad to hear you're supportive of my legislation.

On the last piece: Would the proposed bill by Senator Duane, the Gender bill, would that address the discrimination of LGBT youth that you mentioned in the final part of your testimony?

SUSAN WELBER: Unfortunately, I don't know the answer to that question. But I can --

SENATOR SAVINO: [Inaudible] take a look it.

SUSAN WELBER: -- I can find out, and get back to your office about it. Absolutely.

SENATOR SAVINO: I'm curious. It might -- because it's -- it might. But, if not, we should take a look at it.

SUSAN WELBER: Okay.

SENATOR SAVINO: Thank you, Susan.

SENATOR GALLIVAN: Thank you.

SENATOR SAVINO: Bich Ha Pham.

And after that, we have, Jim Madison, from Brooklyn Kindergarten Society.

And, I think that's it -- do we have -- who

else -- wait, oh, one more.

Oh, you're write-in on the end.

You're not on my list.

What's her name?

JUDITH KAHAN: It's, Judith Kahan.

SENATOR SAVINO: And, then, Judith Kahan.

So we have, one, two, three.

Okay.

BICH HA PHAM: Great.

Thank you, Senator Gallivan and Senator Savino, for this the opportunity for the Federation of Protestant Welfare Agencies to testify.

My written -- our written testimony provides a lot of information on our organization, and our concerns with the various State and City budget cuts, as well as pointing out the cost-effectiveness of so many of the important human-services programs many of the groups have testified today about.

I wanted to, just for the sake of time, jump straight through to the -- what the Committees wanted to hear, in terms of recommendations regarding challenges faced by non-profit human-service organizations and specific

legislation.

FPWA supports the Human Services Council's non-profit core platform, which Chris Winward testified about today. It would go a long ways to greatly alleviate the pressures on human-service organizations.

I wanted to echo the support for Senator Savino's Child Care and TANF Welfare Work Waiver bill, which is a strong priority of the member agencies that we have, who provide early childhood education.

The State faces a minimum of a $36 million subsidized child-care budget reduction for the next state fiscal year. That's in addition to the 55 million that -- budget gap that existed in the current fiscal year.

What we're seeing across the state are counties, local districts, having to choose some very -- between major budget cuts, budget gaps, in this area, and cutting subsidized child care for families that -- low-income families that are employed, many of which are single-parent-headed households.

I know the "Buffalo News," for example, Senator Gallivan, has had several articles about

this issue, where, these working mothers were basically told that they will no longer receive subsidized child care, and are not earning enough money to be able to pay for the care, and would actually need to stop working.

And one of them, in particular, in the article, said: I'm not going have any choice but to get -- to go to welfare and apply. And that's the last place I want to be.

So, this proposal, as you've heard today, is a win-win for the State, to be able to preserve those very, very scarce funding. And, it's temporary; it's only for a two-year period. And it's, again, for very young children under the age of 12.

Senator Gallivan, you asked earlier today about the budget calculations. And, I just wanted to be a little -- provide some of that information to you, that the Empire Justice Center and our organization developed.

We estimated that -- based upon OCFS data, that there are 3,713 children currently under one year of age receiving the child -- the subsidized child care.

So, of that number, we timesed [sic] it by

$7,368, which is the average annual cost of sub -- of child care; which brings us to about $27.35 million.

We subtracted from that, about 10 -- almost $11 million, as -- for -- because, we assume that welfare recipients who currently have employment -- have a paid job -- would not want to be exempt, but they would want to continue working.

So that's -- that's what ends up with the $16.4 million savings.

And we've shared this information with your staff and the Senate Finance Committee, earlier -- you know, for the last session, and, about two weeks ago when we met with them.

And they have not had any questions about the data, so I believe that that is a pretty accurate estimate.

We also met with the Division of Budget and the Governor's Office in October, about this proposal. And we're told that it is being considered, along with other proposals, to try and address the subsidized child-care funding gap.

It's something that I -- apparently, Governor Cuomo is taking very seriously, because of the extent of the harm being done.

And, I wanted to emphasize this: It's not just the children and parents, currently, that are losing the slots, but it's also the infrastructure; because, once these child-care centers are closed, it's very difficult to get the space back, to get the leases back, to hire the child-care workers back, and to get your clients, your customers, back.

So, it's something that is going to be problematic for the State, and, the employers who -- who -- who these families work for, to be able to get back -- you know, get everything back in order.

I also wanted to highlight, that, the New York State Public Welfare Association, last session, did oppose the proposal for children under -- waiving children under 24 months of age.

Now, the reason -- the main reason appeared to be concerns with the federal participation rates.

We're -- we've been communicating with them, last month, to emphasize the bill that would just exempt 12-month-olds, because that would not impact federal participation rates.

So, we're working with them right now, to --

to make sure that their -- are any concerns they have are addressed in a area.

And then, lastly, on this bill, I wanted to emphasize -- address a concern that we have heard in the Senate, about the welfare recipients who are waived, who have one -- who have infants under 12 months of age, who do choose to be waived from the work requirements, and questions about: Would that take them off their track, in terms of employment?

And -- and what we're seeing across the state, and a lot in New York City, is that, what the welfare recipients are currently engaged in, workfare programs, is not leading to employment.

When -- I know organizations have done surveys of welfare -- workfare programs in New York City, and had something, like, a 7 percent job-placement rate.

Most of those people found the jobs themselves. You know, they didn't do it through a welfare work program.

So, it's -- so, on the one hand, you have a program that's pretty ineffective.

And we -- my organization received HRA data recently on the Back-To-Work Program, showing that,

even the minority people that were placed in employment, had huge levels of turnover because they weren't keeping those jobs.

So, it's an inefficient system and budget program anyways.

On top of that is -- the flip side, is that, these women who would be able to take care of their infants at home, that that is work. That is really valuable work. It's just as valuable as sweeping the parks or cleaning the city toilets, or doing any of the other work that they're now being required to do.

So, we really encourage the Senate to consider those -- those issues, in looking at this bill.

One -- another bill that we would like the Senate to consider, is a program that would -- it's called the "Benefit Bank."

And, basically, what it would do is, it would provide for New Yorkers -- low-income and working-poor New Yorkers, to be able to apply for various government benefits programs on-line.

Now, the OTDA program, myBenefits, has a small handful of programs that that can happen right now.

This -- the Benefit Bank program would do it across all government -- all state government programs, including the Department for the Aging, and the various health programs. It's a big cost savings for the State.

The Benefit Bank Work Support Initiative estimates that, in New York State, every year, about $5 billion in federal work supports is not being taken -- you know, is not being drawn down in New York.

And when you look at so many people in New York who are poor and working poor, that's a lot of money that New York is letting get by.

And this is, you know, it could be federal work supports, tax credits, public benefits, student financial aid.

That 5 billion turns into 237 billion in economic -- positive economic impacts to New York when that money is drawn down, and you cost out in terms of the positive impacts.

The costs, on the other hand, would be, compared to those benefits, are very affordable.

The first year to implement this program, in terms of the software, support, servicing, is $4 million; and in the out-years, $2 million; half

of which would go to non-profit organizations, to help do facilitated [inaudible].

So, basically, help clients to go through and -- and -- and process their application on-line.

We have met with Commissioner Beth Berlin, with OTDA, per a conversation with Paul Francis in the Governor's Office, about this proposal. And we hope to do a demo of this proposal, soon, to OTDA.

So, hopefully, there will be some progress on that.

The last bill I wanted to mention, is the bill to prevent homelessness for low-income New Yorkers living with HIV/AIDS.

This is a bill that would basically cap the rent obligations of these disabled New Yorkers, at 30 percent, which is -- which is the rule for federal housing programs with -- because it acknowledges that, you know, when you're disabled and you're struggling and you're poor, paying 50 percent of your very low benefits towards rent, it's just going be -- it's a one-way road to homelessness, because you're not going to be able to continue that kind of payment, considering your high medical costs and your food costs, and your other costs.

So this bill, S4098, and, 86275, would provide that cap.

Interestingly enough, though it -- though there is a cost of $3 million, because the rent cap would require additional government funds, State funds, to address that, it's actually an annual savings of $50 million for New York State, because that's reduced Medicaid and emergency room usage.

So, thank you so much for the Committees' time.

SENATOR SAVINO: I just have one question about this [inaudible] -- this Benefit Bank.

So, if I were a person in need, I would go on-line; I would call somewhere, and they would direct me to the appropriate service that I need?

BICH HA PHAM: Yes, the way the system works in the other states, including Ohio, is, you have two choices.

I could go on-line myself, and do -- enter in the -- my information: my household information, income, so on. And then it would say -- and it has all the programs that -- again, that are available in your locality, in your city, in your state, and including federal government benefits.

And it would say: Ms. Pham, based upon the

income and information you've entered, you're eligible for the following, let's say, ten programs. Check which ones you'd actually like to apply for.

And, so, if I check, let's say, five of those ten programs, it would then immediately start the -- start -- populate the application for those five programs.

With -- and, then, I would just need to, maybe, add a few additional information -- information, per the different benefit, and then I would hit "Submit."

That information would go directly to the state agency that -- that is pertinent to it. And -- you know, whether it's Department of Health, and so on.

And, then, that agency immediately -- that goes into the agency's computer system, back end, and that application is then filed. And then the regular processing works.

It -- in Ohio, where the Benefit Bank was first up and running, it's brought down a lot of money for that state.

But, again, like, I think 90-something-percent of it is federal funding.

And it's really helped the struggling Ohioans, especially in this great recession, get -- you know, get food, get education, get housing, get child care, get medical help; just, so many important programs.

Now, New York State, unfortunately, because O- -- because the OTDA -- OTDA's web page doesn't include senior programs, and doesn't include a lot of these other programs, so it's not just OTDA.

On top of that, many of the benefits that are on the web page -- it's mainly a screening web page right now.

You can just go on, and they'll say: Ms. Pham, you're -- it looks like you might be eligible for these five benefits. And if you want to apply, click here, and then we'll show you where the nearest office is to your -- you know, to your home.

And that's the case for five different agencies, or five different benefits.

So, this is a much more comprehensive system.

SENATOR SAVINO: Presumption of eligibility is limited, obviously, based to the amount of information you input. It still has to go through --

BICH HA PHAM: That's right.

So, the State agencies get your information, just as if you'd gone in and written your application, and hand-submitted it. And they would still do the interview. You would still have to submit the documents.

There's -- the Benefit Bank in Ohio, they actually, currently, scan -- have the ability for the non-profit group to scan your documents, so that can get submitted at the same time to the State agencies. So that just cuts down on the State agency's work, and the time.

SENATOR SAVINO: There are some benefits, though, that, in order for them to be administered, they have to be evaluated by a person who's been tested for merit and fitness. That's part of social-service law.

BICH HA PHAM: Yes, so, all -- all the other requirements, whether it's face-to-face meetings, physical examinations, still will occur. And, this just streamlines the process. And, it increases the number -- the number of people, especially working families out there who aren't as familiar with the social-services system, to have that entree.

SENATOR SAVINO: Sounds kind of like a more enhanced 311 system.

BICH HA PHAM: That's right.

And, actually, in New York City, the ACCESS NYC Program is similar to myBenefits, in that, there are many, many programs that you can apply for on-line.

Great, thank you.

SENATOR GALLIVAN: Thank you.

SENATOR SAVINO: Thank you.

Next is, Jim Madison.

Is Jim Madison here?

No?

And then -- well...

SENATOR GALLIVAN: Okay.

SENATOR SAVINO: One second, just got to change the tape.

(Pause in the proceeding.)

(The proceeding resumed, as follows:)

SENATOR SAVINO: Judith Kahan, from...?

JUDITH KAHAN: ...Center Against Domestic Violence.

Shall we go?

SENATOR GALLIVAN: Yes.

JUDITH KAHAN: Okay.

We're going to read fast so we can then talk.

We're reversing who speaks first.

Thank you for the opportunity to address you today.

My name is Judith Kahan. I am the chief executive officer of the Center Against Domestic Violence.

For 35 years, the center has worked towards a society free from violence, by transforming the lives of victims, and raising awareness in our communities.

Our organization opened the first domestic-violence emergency shelter in New York State, and the provision of safe shelter is at the core of the center's mission.

I am also the founder and co-chair of the New York City Coalition of Residential -- of Domestic Violence Residential Providers, which represents all 28 domestic-violence residential agencies.

In addition, there are numerous survivors attending today, in the audience.

The coalitions' positions are guided by one principle: safety.

We advocate, so that women, children, and,

yes, men, who turn to us for refuge from unspeakable abuse, can enter our shelters safely, and can leave with the tools to secure a life free of intimate-partner violence.

In addition, I am one of two representatives that represents New York City on the New York State Coalition.

TED MCCOURTNEY: And I am Ted McCourtney. I work for Sanctuary for Families as the director of Sarah Burke House, a Tier II domestic-violence shelter in the Bronx.

Sanctuary for Families is the largest non-profit agency in New York State, dedicated exclusively to serving domestic-violence and sex-trafficking victims and their children.

I am also a member of the steering committee of the New York City Coalition of DV Residential Providers, as Judy said, a coalition that includes all of the organizations providing domestic-violence services in New York.

JUDITH KAHAN: We are here to advocate for an additional 45-day shelter allowance for clients in DV shelters.

The maximum stay in domestic-violence emergency shelters is currently 90 days, with the

possibility of one 45-day extension; therefore, domestic-violence victims and their children must leave the shelter after 4 1/2 months.

In contrast, families staying in general homeless shelters run by New York City Department of Homeless Services are permitted to remain in shelter, based on goals, and not constrained by mandated length-of-stay limits.

TED MCCOURTNEY: In order to grasp the full significance of this time limit, it is important to understand that domestic-violence victims are running for their lives, choosing to gather up their children and escape a violent, abusive, and dangerous home, where they may be killed, and their children may be harmed.

Moving to a confidential domestic-violence shelter protects them from their batterer, but they give up an enormous amount of personal freedom in exchange, just to ensure the batterer will not find them.

They cannot tell family, friends, neighbors, or employers where they are.

If they do, we have to discharge them because the indiscretion threatens everyone's safety.

The women entering shelter often suffer from

depression and anxiety as a result of the severe abuse they have endured. They are often haunted by grief and a sense of failure; shame about the failed relationship or marriage.

As shelter providers, we do everything possible to assist our clients in addressing the challenges they face, and to provide them with the support they need to transition to independent, violence-free lives.

We provide emotional support, comprehensive case management, counseling for both the mothers and the children, emergency food supplies, emergency cash, legal advice and representation, and help entering the workforce, and, we must do all of this in an unreasonably short time frame.

In order to ensure the safety of our clients, it is vitally important that they have safe, stable housing at the time of their discharge.

With the elimination of the Advantage NY housing program last spring, almost all of our clients are now forced to assume the full market rents for their apartments.

This means, that within 135 days, clients must obtain a job that pays enough for them to afford an apartment, a daunting, if not

unrealistic task, considering, most of our clients have limited education and limited work histories.

If they are able to find a job, they will need to secure child care, hopefully near the shelter and near the place of employment.

For those who are not superwomen, and unable to get it all together and find a high-paying full-time job, an apartment, and child care within 135 days of leaving their abuser, the alternatives are, the general homeless system, which does not provide the safety measures or the clinical services of the DV system, moving from couch to couch of friends or relatives, or, desperately, returning to the batterer who will surely punish her mightily for leaving the first time.

JUDITH KAHAN: Given the tremendous challenge our clients face, it is clear that the 135 days in shelter is not adequate time for them to stabilize and discharge into a safe environment.

The only proven protection from domestic violence is safe shelter. The investment in the first 90 to 135 days of emergency shelter is tremendous.

Increasing shelter stays by another, optional, 45-day extension will increase the return

on the initial investment enormously, and, very important, longer stays are cost-neutral.

There are a finite number of spaces available for domestic-violence shelters seeking emergency shelter. Allowing some of these people to stay longer does not add any cost to the system.

Also, reducing the number of times a family is transferred from shelter to shelter reduces the trauma of these families, increases their stability, and prevents them from going to the already overburdened homeless system.

Two years ago, the State Senate unanimously passed, and last year the State Assembly passed, legislation, permitting an additional, optional, 45-day extension in domestic-violence shelters.

It is our experience that longer stays in shelter lead to better outcomes for clients, allowing them to achieve self-sufficiency and security.

For this reason, we strongly urge you to again supporting legislation to allow for the optional extension in domestic-violence shelter stays.

SENATOR SAVINO: Thank you, Judith.

One -- (coughing).

SENATOR GALLIVAN: While you're recovering, I want to ask some questions.

How are you fund -- how your organizations funded?

JUDITH KAHAN: There are about 2,000 beds in our system. And, we're funded, 50 percent by the feds, 25 percent by the State, and 25 percent by the City.

We're licensed by the State. And HRA is the conduit, in terms of paying for the -- sending money to the various agencies.

There are about 20 agencies involved; 43 shelters.

SENATOR GALLIVAN: If you had the ability for the additional, optional, 40-day -- 45-day period, would you then have to turn other people away?

Would that take up all of your beds --

JUDITH KAHAN: Not at all.

SENATOR GALLIVAN: -- and not be able to deal with others in immediate need?

JUDITH KAHAN: Right, that's been the big issue, you know: Are we clogging up the system, in effect?

And we say no; because, first of all, not everyone comes into a shelter, stays.

Most of the research shows that it takes a woman seven tries before she permanently leaves an abuser.

So, some people come in; they're shocked. They've made themselves homeless, unlike the folks who come into the homeless loop knowing that they're homeless.

So they say: You know, what? I think I'm going to go back to my mother. Or maybe I'll go back to the batterer.

So there's -- a large percentage of people do not stay, 90 days, forget about 135.

So we feel, that for those few people who want to stay the 180 days; in other words, to hopefully discharge a permanent person into permanent housing and employment, so that they do not return to the shelter system.

SENATOR GALLIVAN: How does an additional 45 days of services stay cost-neutral?

Doesn't it -- I mean, isn't there some costs associated with the additional entire variety --

JUDITH KAHAN: There are no more beds.

SENATOR GALLIVAN: -- of services being provided?

JUDITH KAHAN: There are no more beds, and

we're discharging people into the homeless-shelter system. There would -- we are not -- the City is not going to fund more beds.

I mean, that's a general understanding.

When I founded the coalition, we had only 600 beds in New York City. Today we have 2,000.

It's believed, that one-third of the people in the homeless-shelter system are victims of domestic violence.

SENATOR GALLIVAN: So does that then -- I mean, so, then, are you saying, in different words, that, if you're discharging, there will be a cost somewhere? It's either a cost in the homeless-shelter system, or --

JUDITH KAHAN: Right, or into the homeless-shelter system.

TED MCCOURTNEY: Or back to their batterer.

SENATOR GALLIVAN: And that's not even --

TED MCCOURTNEY: And that's even at a greater cost.

SENATOR GALLIVAN: -- that's not even the human costs. I'm talk --

JUDITH KAHAN: Right, but we didn't bring you this -- we gave you a folder about our -- the coalition, and who we are, and what we represent,

and about, safety in and safety out.

I'm sorry that one page we didn't bring, is how many women have been murdered this year.

That is really the big difference between the homeless and the survivors of domestic violence, is the murder rate.

TED MCCOURTNEY: But that's exactly right: If they reach their final day; if they hit that 135 days, that means they don't have secure housing to move into. So, then, they're just transferring, but they're going to the Path Center, and going into the general homeless shelter, which does not provide the protections of the DV system, but it still costs the system -- it still costs the same amount of money.

SENATOR GALLIVAN: Understood.

Thank you.

SENATOR SAVINO: I think what makes it hard to understand, is, what drives people into the domestic-violence shelter system as opposed to general shelter system.

I think you pointed out, correctly, Judith, they've made themselves homeless.

JUDITH KAHAN: Right.

SENATOR SAVINO: It's a different population

that you're dealing with.

But I -- he -- I understand what he keeps trying to come back to.

If you have a limited number of beds, and a limited number of dollars, and a limited number of days, and we extend them for people who are there, what happens to the people who are in the pipeline, coming in?

JUDITH KAHAN: Right.

SENATOR SAVINO: Right?

That --

JUDITH KAHAN: But we're never --

SENATOR SAVINO: -- that's -- that's what they're --

JUDITH KAHAN: But we're never 100 percent filled.

We're never 100 percent, because, people come, they go. They transfer out on the weekends, when most of the administrative staff is not there to discuss these issues.

So, it's not that we're 100 percent filled.

SENATOR SAVINO: And I think what makes --

JUDITH KAHAN: So that's one --

SENATOR SAVINO: -- the difference is, that the population that you're servicing is different

than the population that DHS is servicing, in the city of New York, or any other shelters.

JUDITH KAHAN: Right. Right.

SENATOR SAVINO: They're not economically homeless. They're homeless as a result of violence in their life.

JUDITH KAHAN: Right.

SENATOR SAVINO: And, if they can find somewhere else to go.

And I think what might be helpful, going forward --

JUDITH KAHAN: Sure.

SENATOR SAVINO: -- because, again, the Legislature didn't object to this. The Senate passed it unanimously --

JUDITH KAHAN: Right.

SENATOR SAVINO: -- twice, actually --

JUDITH KAHAN: But then the Assembly, also.

SENATOR SAVINO: Assembly passed it.

The City seems to think that there's a magic number, at this 135 days.

And I don't know why. I don't know what they expect; because what we're really trying to do, is, uhm, not just give people that -- that safe period, where they can kind of change their life

circumstances, but we know we're dealing with a therapeutic model of homelessness here. You know, it takes time for people to change their habits, and, you know --

JUDITH KAHAN: Correct.

SENATOR SAVINO: -- gravitating back towards the violence, or the instability, is part of breaking the cycle. You know, getting women to stop gravitating back.

We gravitate towards what we're comfortable with. You know, and that's safe. They understand that.

They don't understand this new life, where they may have to be responsible for themselves, or find housing.

JUDITH KAHAN: Of course.

SENATOR SAVINO: That's why the 45 extra days may make a tremendous difference.

JUDITH KAHAN: For some people.

SENATOR SAVINO: Yeah.

JUDITH KAHAN: Not everyone wants to stay. But, for some people. So, the idea is, to give them the option to stay.

SENATOR SAVINO: Uh-huh.

JUDITH KAHAN: And I don't think you're

talking about that many people.

SENATOR SAVINO: Right.

JUDITH KAHAN: So -- so we would like -- and, I think Amy Barasch, who represents the State, in Albany, Domestic Violence had called a meeting, of which Ted and I participated, in reviewing the regs. And there was a general consensus for the 180 days among the providers throughout the state.

SENATOR SAVINO: Do you know, what was the impetus of the original 90-day restriction, with the one 45-day extension?

How did they arrive at the idea --

JUDITH KAHAN: I have --

SENATOR SAVINO: -- that 90 days was enough?

JUDITH KAHAN: The regs are over 35 years old.

SENATOR SAVINO: Oh.

JUDITH KAHAN: And I think, that when people came into the system, years and years ago, people moved out faster, there was Section 8, there was ERP, there were tons of NYCHA; there were numerous housing options. People didn't stay in the system that long.

And, I think, that's its history.

SENATOR SAVINO: Oh.

JUDITH KAHAN: I believe.

I mean, when I went --

TED MCCOURTNEY: Now, none of those exist for our clients.

JUDITH KAHAN: Right.

TED MCCOURTNEY: They don't have access to NYCHA. There's no Section 8. Advantage is gone.

So there's a lot more to do in those 135 days to obtain some degree of stability.

JUDITH KAHAN: Right.

TED MCCOURTNEY: So, we certainly need the extra time.

JUDITH KAHAN: Right.

I mean, when -- I think the first homeless family was housed in the Waldorf Astoria, and it made "The New York Times."

I still can't get -- I've been trying to get a copy of that article for years.

And, Henry Street became one of the first shelters to serve the homeless.

So -- but people stay in the shelter system very short [inaudible]. But, you're talking, at least 40 years ago. At least. Pre-us.

But, I did start out life in the Bureau of Child Welfare, 250 Church.

SENATOR SAVINO: Ah, BCW.

Oh, all right.

JUDITH KAHAN: Life is chance -- has -- well, it's unfortunate. I grew up with a war against poverty.

It seems to be a war against the poor, kind of.

SENATOR SAVINO: Uh-huh.

And we've cycled back to it.

JUDITH KAHAN: Yes.

SENATOR SAVINO: Thank you both for your testimony.

SENATOR GALLIVAN: Thank you.

SENATOR SAVINO: And our final speaker is, Jim Madison, the executive director of the Brooklyn Kindergarten Society; where everything we ever needed to know, we learned in kindergarten.

UNIDENTIFIED SPEAKER: Yes.

JIM MADISON: Perhaps.

SENATOR SAVINO: Be nice, share.

UNIDENTIFIED SPEAKER: Don't run with scissors.

SENATOR SAVINO: Don't run with scissors.

UNIDENTIFIED SPEAKER: Don't eat paste.

SENATOR GALLIVAN: Don't stand on the swivel

chair.

SENATOR SAVINO: Don't stand on swivel chair, and don't eat paste.

Anything else?

I want to know where you went to school.

UNIDENTIFIED SPEAKER: Catholic school.

SENATOR SAVINO: Go ahead, Jim.

JIM MADISON: Thank you.

I've already been introduced, so I don't have to say who I am, and what I'm from, but I should say, briefly, what the Brooklyn Kindergarten Society is.

It's a 120 -- almost a 121-year-old, not-for-profit that was founded, to provide some positive experiences for young immigrant children who were living on the street.

It's managed through depressions, recessions, two World wars, and is still flourishing, with five centers in low-income neighborhoods in Bedford-Stuyvesant, Brownsville, and Crown Heights.

I'm here today because of the evolution of funding of our early childhood education.

That, I heard you talk at the Federation of Protestant Welfare Agencies sometime, so you are

aware of some of these issues.

The City has, for the longest time, been stating that it wanted to improve the quality of early childhood education. And has been talking about a program called "Early Learn NYC," which, I don't know how many other people have spoken about today, but, if none, I could go into details about it.

But, the bottom line on this is, is that, as of next October, the City will have discarded all existing contracts, and re-contract with quality programs around the city. They are reducing, by about a third, it appears, the number of children who will be covered.

And they said they're doing this so they can provide sufficient funding for high-quality programs.

It appears they are doing just the opposite.

I am in close touch with an awful lot agencies, similar to mine, and smaller ones, who say: It doesn't matter how they cut the numbers, the new funding formula that the City has come up with -- a lot of it's State money -- is insufficient to run any program, much less a quality program.

If you are like ours, one that wants to hire high-qualified -- highly qualified teachers, who, I would point out, the highest-scale teacher we can bring aboard, who has a masters's degree, and experience, is making less than the lowest-paid entry-level teacher in the Department of Education.

People who work in early childhood education, increasingly, are dedicated to the premise, that what they do is the most important thing they can do in education.

If, in fact, Early Learn goes through the way it has been proposed, I know that there will be dozens, and perhaps hundreds, of centers who will be unable to open. Or, even worse, will open, and discover at the end of a month, that they don't have sufficient money to make payroll.

A lot of these organizations never raise money.

Fortunately, with the roots of my organization, we raise about -- well, 25 percent more than we are given by the federal, state, and city governments, which gives us some leeway.

Even with that, there is insufficient money for us to be able to run the kind of programs that we've been running all along.

So, with that as a background, I would point up something that we're all aware of, but I doubt that anybody presents it in this way, because the perspective is different: That, this past September, about 50,000 dropouts-to-be entered the New York City school system.

SENATOR GALLIVAN: How much -- what's the number?

JIM MADISON: 50,000 dropouts-to-be entered the New York City school system.

SENATOR SAVINO: That's about how many they drop out at.

JIM MADISON: Yeah. We know there are, approximately, 100,000 children moving through each; a little less in some grades, a little more. And we know that, depending upon the neighborhood, but, overall, the number is between 45 and 50 percent dropouts. It depends upon how you count, and whose numbers you use.

And when you go into low-income neighbors, like ours, the dropout rate amongst males is approaching 90 percent.

We are talking significant numbers.

Add to that, the separate statistic that is chilling, in every way; that, if you are -- and this

doesn't relate necessarily to Brooklyn low-income neighborhoods. The statistic was based on research done a few years ago, in Harlem: That if you are an African-American male, age 35, who had dropped out of high school, never got a high school diploma, the odds were even, that you would spend at least two years in jail.

So, we take a deep breath, and we look back at, 50,000 children, dropping out. More than half of them, let's say, 30,000, will be males.

And are we saying that, approximately, half of those? In other words, 15,000?

We don't have to say dropouts-to-be. We could say, incarcerated males, of about 15,000, every year, are being moved, from age 4, into age 5 and 6, kindergarten and first grade.

We know that. And, yet, based on my experience, which -- and, is strange, in some ways.

I started as a teacher in the days of decentralization, back in the late '60s. And I was in education for a dozen years, and then moved into the business world.

And then, came back recently, and discovered that the same horrors that existed 40 years ago --

I can say that -- 40 years ago, still exist.

Politicians continue to say -- I make no offense here -- to say the same things, that, you know: We will make a difference. We will do the following.

Every President that I have watched run, has said: I will be the "education" President, including our current President.

And nothing changes.

And the reason nothing changes, is, because everyone is focusing on the wrong place.

If we spend so much money -- $2 billion a year, on special education programs in the Department of Education -- if we spend $2 billion on that, how much do we spend on juvenile justice? on truancy prevention? on teenage pregnancies? on just the criminal justice system? lost wages for people who never we want through high school?

And you go down the list of all the costs that are out there, and then you look at the few hundreds of thousands -- hundreds of millions of dollars in a very large budget, that are put into early childhood education, saying: We don't have money for that.

We would rather have all of these children

move out, and become wards of the Department of Education, which was never equipped to handle so many children with so many deficiencies.

Statistics we have, because we work with our children, and do a lot of measurement: Approximately two-thirds of the children come to us at age 2 or 3, and they are, you know, significantly below age-group norms.

By the time they leave, the last two years, we've averaged 92 percent are at or above age-group norms.

We get there because we have additional family workers, we have additional teachers; we do music, we do science, we have literacy programs. We do things that the system, as a whole, would never fund.

And I can't argue, that, well, you should turn around and let's fund all of these programs. But, if we, as an organization, can do this, there is no reason that we cannot do this on a broader scale.

Right now, about a third of the children who are eligible in New York City are actually in early childhood education programs.

So, if we extrapolate from my two-thirds,

come in, at or below age-group norms, then those who do not have the pleasure of being in a program, arrive in kindergarten and first grade, and they are below. And those are the ones who are almost immediately labeled "Special Ed children," and they require additional services and additional costs.

If you ask the Department of Education to identify and specify, they will never do that. But, it is a huge cost, that, I would guess, within two or three years, we would be -- if we provided universal early childhood education, we would eliminate enough to be able to fund, properly, early childhood education for every child who was eligible in New York City.

It's -- it's -- you know, it's been an ongoing tragedy, because it falls very much into that -- the, "you can pay me now or pay me much more later."

So, in the spring, I'm sure you're aware, the City cut $90 million off the budget for early childhood education.

And there was the Emergency Coalition to Save Child Care that went out and battled, and got a negative editorial for the Mayor in the "New York Times."

And, the daily news came on, and said: Mr. Mayor, when you got elected, first time, you said you were going double the number of children who would be covered. And with these cuts, it's going to be half.

All of this went on. And, finally, the Mayor put $42 million back in, and the City Council put $40 million in.

The City Council money will disappear next year.

So, we are at a point where we are, at the very time we should be doing more, we are doing less.

If I had a leak in my apartment, I would not ignore it, saying, Well, maybe it will go away. Or, we'll just put a little bucket under there. -- realizing, at some point, it's going be a disaster.

And we do that with bridges in New York.

We do that with our own health care.

We have consistently been in a position, where, if we don't do preventive health care, then we pay a whole lot more. And, somehow, we turn a blind eye to that when it comes to low-income neighborhoods.

Uhm, I'm -- I'm -- you know, these are random

notes. I mean, I speak from the heart with this, because it is something that I -- I consider to be a tragedy for the city; that there are so many opportunities to make a difference.

And, when it comes to early childhood education, the amount of dollars we are talking is tiny, compared to the cost, going forward. We're talking about a few hundred million dollars a year, compared to billions and billions.

The statistic that people are putting around lately, is that, for every dollar you spend in early childhood education, two things happen:

$1.86 is generated, because you're paying more salaries, and things, almost immediately;

And, you are reducing, by $7, over time, the cost of having this child enter the school system, and have a very negative path for the rest of his life.

I'll leave with you a conservative quote from David Brooks, who said, and I'll read this, quote:

"By age 5, it is possible to predict with depressing accuracy, who will complete high school and college, and who won't."

And I could add to that: We can predict who's going to jail. Who is going to be a ward of

the state. And, who's is going to cost us far more money, that comes out over other positive program we could possibly have.

SENATOR SAVINO: Uh-huh.

Thank you, Jim.

SENATOR GALLIVAN: Thank you.

SENATOR SAVINO: Very salient points.

Just to let you know, in case you didn't get the information: On the, 3rd -- 12th --

UNIDENTIFIED SPEAKER: 12th.

SENATOR SAVINO: -- December 12th, right back here in this room, we, the Children and Families Committee, will be doing an oversight hearing on Early Learn. So, we hope you will come and testify again.

JIM MADISON: I am. I'm signed up.

SENATOR SAVINO: But, before you leave, though, one -- two questions I have for you.

I think Nancy... uhm...

UNIDENTIFIED SPEAKER: Wackstein?

SENATOR SAVINO: Yes, thank you.

JIM MADISON: Yes, Nancy Wackstein.

SENATOR SAVINO: -- testified earlier about the inflexibility in universal pre-K. And they had some recommendations on that, that it -- it's -- you

know, while it's well-intended, it really doesn't serve enough children because of the limitation on the number of hours per day.

And we -- we're going to be exploring, whether or not we can provide some flexibility in it.

The problem with UPK, just so you guys know, is it's a very politically driven agenda item, which is why we've not been able to look at it, and amend it.

It took a very long time to get universal pre-K in New York State, and the people who were behind it are loath to have anybody criticize it. But, I think we need to spend some time educating members of the Legislature, that, it's -- a well-intended program is useless if you can't adapt it.

And we need to provide that flexibility.

So, I know people, like you, will help with that.

JIM MADISON: On the issue of UPK classes, for many years, school -- preschools, such as mine, had UPK classes.

And, in the last couple of years, the Department of Education said: We actually have

classroom space, let's do this.

So we now have a dual system, where you have some children going into the public schools, who are taught by licensed teachers, doing the exact same thing that our teachers do, except, they're making 15,000 to 40,000 dollars more a year.

It is a bizarre system that is based on what is perceived as, this being babysitting and nursery school, not being education that is terribly relevant for the children.

The statistic, I'll throw out another one; these are favorites:

That, if you have a low-income family, a child, by age 3, has been read to, on average, 25 hours by the family.

If you go to a better-educated, higher-income family, the equivalent period of time, it's 1,700 hours.

If those children enter the school system at the same time, who is going to do well, and who is going to be struggling?

And, at least, when they go into quality preschools, they are read to every day, they are worked with. We work with families to instruct them, that they have to read to their children, read

with their children, every single night.

It does make a difference.

The perceptions, and public relations, is important.

The perception of day care, is that it's still day care, it's not a school. And, it is a school.

SENATOR SAVINO: The other question I have for you, since you're involved in the kindergarten system: I think it was three years ago -- either three or four years ago, the City of New York, in its infinite wisdom, decided to eliminate center-based kindergarten.

JIM MADISON: We are called the "Brooklyn Kindergarten Society." They took all of the kindergartens away from us. So we are --

SENATOR SAVINO: And the reason, for Senator Gallivan, was, that we would shift children to the public school system, to DOE, and all children, because, kindergarten is not a requirement, you know, under education law; but, that there would be ample seats for every child who needed one.

Well, that is just not the case. And what we thought would happen then, has, in fact, happened.

Do you have any statistics on --

Of course, if we ask DOE, of course, they will not give us the correct information.

-- how many children are inable -- unable to get a kindergarten seat in the New York City Public School System, that could be --

JIM MADISON: Do not know.

SENATOR SAVINO: -- serviced by the centers?

JIM MADISON: Do not know.

I have no idea.

SENATOR SAVINO: We need to find that out.

JIM MADISON: Okay.

SENATOR SAVINO: And then, maybe, perhaps we need to explore whether or not kindergarten should be required, under the law, as opposed to optional.

JIM MADISON: I think every educator, anywhere, would say yes.

I mean, that's --

SENATOR SAVINO: Well, I think it's time for that.

JIM MADISON: -- that's not a debate. That's a given.

SENATOR SAVINO: Are we done?

SENATE AIDE: Two more coming in.

SENATOR SAVINO: Oh, wait, we have two more.

SENATE AIDE: Yes, we weren't sure if we'd have time, but --

SENATOR GALLIVAN: Thank you.

JIM MADISON: Thank you.

SENATOR SAVINO: Thank you.

SENATE AIDE: Judith Kahan.

SENATOR SAVINO: Judith Kahan was here. She just --

SENATE AIDE: No, I'm sorry.

Louise Feld, and -- is it, Sienna?

SIERRA STONEMAN-BELL: Sierra.

SENATE AIDE: -- Sierra?

If you want to just, both, come up, I guess, at the same time?

SENATE AIDE 2: Yeah, this way we can -- we don't have to shuffle you the around. You guys can [inaudible].

SENATOR SAVINO: Oh, we have Citizens Committee for Children.

So, who is first? Louise?

UNIDENTIFIED SPEAKER: However you want to --

SENATOR SAVINO: Louise?

LOUISE FELD: Sure.

SENATOR SAVINO: Citizens Committee for Children.

So, we'll tell you the same thing: You don't have to read the testimony. You can summarize for us, the points that you think are most important, that we should be aware of.

We would be very appreciative.

LOUISE FELD: Okay.

Good afternoon.

My name is Louise Feld, and I'm the policy associate for food and economic security at Citizens Committee for Children.

CCC is a multi-issue child-advocacy organization dedicated to ensuring that every child in New York is healthy, housed, educated, and safe.

Thank you so much, Senator Savino and Senator Gallivan, for holding this hearing today, because, as recent census data shows, there is a great deal of striking poverty in New York City and State. And, it has grown during the past couple of years.

I have submitted written testimony. And, so, as you asked, I will try my best to be brief.

So, I'll start by just saying: That, in our testimony, there are several -- or, many statistics that show the real extent of how dire poverty and food insecurity and housing insecurity

is in New York City and State at this time.

I'll just pick out, perhaps, one of the most striking, which is, that: Now, 1 out of every 5 New York State children is living in poverty; and, almost 1 out of every 3 New York City children is living in poverty.

And, so, at this time, when, yes, difficult decisions need to be made in relation to the budget, we must remember how great the needs are in both our city and state, and do our best to protect those children and families who are struggling so much.

We really do believe that a key component to addressing the State's financial problem is to take a more balanced approach, that combines progressive tax increases with prudent public investments.

And we really urge the Committees to work with the Assembly and the Governor to enact legislation that raises revenue needed to balance the budget while protecting services for children and families.

Specifically, New York State could raise $5 billion annually by extending the current income-tax surcharge on the wealthiest of New Yorkers, which is due to expire at the end of

this year.

We've heard a lot already today about two areas which CCC is very concerned with, and very involved in advocacy on; and that's, child-care and youth services. So, I won't belabor the points which were so ably stated by earlier colleagues.

But, I do want to underscore how vital these services are, as economic engines for our communities, both in the city and the state; enabling working parents to stay engaged in the workforce, and, also, helping children, both, for example, with early childhood education, and child care, getting children prepared to enter school, as we've heard already today. And, also, with the after-school programming, really helping kids, not just continue -- further their education, further their enrichment activities, but, also, in the long term, keep them out of trouble, both, with the juvenile justice system, and then, ultimately, the criminal justice system.

There is one notable statistic that we include in our "Youth Services" section of our lengthy testimony; and that is, that every dollar invested in youth services saves $40 in future

criminal justice costs.

So, I think that is a very telling statistic.

We all know that children are most likely to get in trouble after school hours, when, perhaps, their parents are still at work. And, so, these services are truly vital to helping kids remain engaged in school, and on the right track.

So, I won't belabor those points.

Moving on to child welfare: As we heard earlier today from Jim Purcell, the child-welfare financing scheme is due to expire on June 30, 2012, and must be addressed as part of this year's budget.

Now, our testimony does have, not only a lengthy section in its body on child-welfare financing, but also an appendix attached, with all of our recommendations related to child-welfare financing.

So, I will try and just pick out a few very salient -- salient points from that.

We did hear, already, a lot today, but we do want to join in on the position, that, preventive-services financing must remain open-ended, and should be restored to 65 percent.

And, to add to some of the information that Jim Purcell shared, in terms of numbers, he provided

a contrast between the system -- the foster-care system 20 years ago, and today.

We can even go back just a few years, to see, really, how large of an impact the preventive-services system has made in keeping kids out of foster care.

So, for example: In 2002, there were over 25,000 New York City children in foster care.

Today, there are almost half as many, as of June 2011.

So, we really see what a large impact the preventive services have; and, not just keeping families together, but, also, they have an economic impact because they are so cost-effective.

So, for example: In New York City, preventive services cost a fraction of the price of foster care, with an average annual cost of $10,000 per family, for preventive services; and an annual average cost of $36,000 per child, for foster care.

So, you can certainly see where preventive services are just simply more cost-effective.

So, we are very concerned, and we urge you to ensure that the open-ending funding stream is maintained, and that the reimbursement rate is restored to the level of 65 percent.

I don't believe anyone touched upon the foster-care block grant today.

This is intended to fund the State's share for children in out-of-home placements, including foster homes, kinship foster homes, residential foster-care placements, and private juvenile-justice placements.

As of April 2011, the foster-care block grant is also supposed to contribute to the State's share for kinGAP subsidies. And New York City has reported spending approximately 70 million above their foster-care block-grant allocation this past year; meaning, that New York City would have received an additional $35 million from the State if there was a true 50/50 reimbursement, or a foster-care block-grant cap that was high enough to accommodate the City's actual spending needs.

Now, while we at CCC appreciate the State's efforts to create disincentives for localites to rely on foster care, and for localities to expedite permanency, there are some children and youth who will always be in need of foster care, so that they can be safe, and receive the services they and their families needs.

So, it is imperative that New York's

foster-care system have the resources it needs.

Now, almost all children who are adopted from New York's foster-care system are eligible for an adoption subsidy.

Historically, the State had reimbursed counties 75 percent of the non-federal share for adoption subsidies.

But, in the State fiscal year, 2011/2012 budget, the State reduced its commitment and support to these children, by reimbursing -- by reducing the reimbursement down to 62 percent.

And, we urge the Committees to adopt a budget that restores the State funding match, back to 75 percent, for adoption subsidies.

Now, many advocates, providers, and counties believe that kinGAP should be funded by the State in the same manner as adoption subsidy, given that it is a permanency arrangement that should be incentivized over foster care.

Notably, the number of children receiving adoption subsidies is starting to decrease, because, (a) the declining foster-care census means there are fewer children eligible to be adopted, and (b) those children who were adopted at the height of the foster-care census are beginning to age out of

adoption-subsidy eligibility, in that, they're turning 21 years old.

Thus, the State's savings on adoption subsidy could be redirected to the kinGAP subsidies without increasing the OCFS State budget.

So, finally, to truly ensure permanency for children touched by the child-welfare system, the State and localities must invent in post -- must invest in post-permanency services, including, after-care for children reunified with their families, post-adoption services to children who are adopted, and post-kinGAP services to children in subsidized guardianship arrangements.

So, as I said. There is a full list of our child-welfare finance-reform recommendations attached to our testimony.

We also want to talk about the juvenile -- the issues of juvenile justice.

CCC does appreciate the efforts that the Senate; particularly, the Children and Family, and Social Services, Committees have made thus far to try and improve New York's deeply troubled juvenile justice system.

Now, while these steps have certainly triggered much progress, we do believe that there's

more reform needed. And we're hopeful that the Senate Committees will be key allies in these reform efforts.

Specifically, we're supportive of increased investments in programs that keep young people out of the juvenile justice system, as well as, community-based alternative to detention-placement programs;

Raising the age of criminality to 18;

And, the full realignment of the juvenile justice system, such that New York City would be responsible for New York City's youth.

As you know, over 60 percent of the youth in facility care come from New York City, and are typically placed incredibly far from their homes and their families, their communities, their lawyers, and their schools.

Now, in addition, OCFS's own research shows that the State placement system has a recidivism rate of 81 to 89 percent, suggesting that the system fails to rehabilitate youth as required.

Furthermore, the cost of State placement now averages $266,000 annually, per youth, with little positive or negative impact on the youth.

A locally controlled juvenile justice system

for New York City would allow greater numbers of youth to reside at home, while engaging an alternative to detention and incarceration services, and ensure that youth in need of placement would live in a facility that is close enough to their home, so that, they can benefit from visits and engagement with family members, regular contact with their attorneys, and, that educational credits, that they earn while they're in placement, could transfer upon their discharge so that they can move forward with their education.

Being treated within their communities would allow for more comprehensive and meaningful reentry for so many youth.

So, for these reasons, CCC urges you to support a system that would allow New York City to have local control over its juvenile justice system.

We also ask you to support proposals to raise the age of criminality in New York.

New York is one of only two states in the entire country that treats 16- and 17-year-olds as adults. Yet, anyone who has ever acted -- interacted with a 16- or 17-year-old, or perhaps remembers being a 16- or 17-year-old, is well aware that these youth are not quite yet adults.

And it's not just a perception. Of course, there have been many studies on the signs of brain development that bears out this fact.

So, with that said, we certainly support a proposal that would raise the age of criminality to -- in New York State.

I do want to touch upon an issue that was raised very, very briefly early this morning, when Bobbie Sackman was still testifying; and that's the finger-imaging requirement in New York City.

CCC is very opposed to the continuation of this requirement. There is -- we overwhelmingly support its elimination.

We had noted, that New York City is the only place in New York State has continues this.

It's actually the only place in the country, besides the state of Arizona, to continue this practice.

California and Texas, both, most recently, had done away with it.

And, so, now only New York City remains; and, therefore, we are urging the Committees to, either, pass a law, banning New York City from this practice, or, to urge -- or we urge the Governor to use his discretion, to instruct OTDA to end this

procedure.

There are estimates out there, that there are at least 30,000 eligible New Yorkers in New York City, alone, who are being -- who are being dissuaded, or -- this is really a barrier to their participation.

And, of course, besides the number of people who could really benefit from extra access to food, there's also a great loss to local economies, because there's an estimate of about $54 million that is not coming through to our localites from the federal funding that's now provides to be used in local supermarkets and farmers markets.

So, we do think that this is really a -- an inefficient and harmful practice that should be eliminated.

We also ask the Committees to pass legislation that amends the State Social Services Law, so that it permits public-assistance recipients to fulfill their work-activity requirements through their attendance at four-year college or at advanced degree programs.

There have been changes to TANF regulations that permit states to count for your college attendance as an activity that satisfies the work

requirement.

And, New York should seek to implement this change.

And the last issue area that I wish to talk about, is homelessness and housing.

Now, while CCC had concerns about the ability of New York City's Advantage rental-subsidy program to permanently address housing stability for families, the loss of federal and state funds for the program, and then the resulting loss of the program itself, has compounded the homelessness problem in New York City.

Now that there is, essentially, no rental-subsidy program, the number of families with children in homeless shelters continues to increase, as does the length of time children are living in the shelter system.

This instability impacts children's education, connections to community, and their mental health.

While these subsidy programs may seem expensive, they're actually more cost-effective than shelter.

The cost of shelter is $3,000 per month, compared to the cost of the rental subsidy, which

would be approximately a $1,000 per month.

CCC urges the Committees to work with the Governor's Office, and New York City, to support a housing subsidy program for homeless families.

And, in addition, it's much more cost-effective to prevent homelessness than to support homeless families in the shelters.

State programs currently funded with TANF, such as the Supplemental Homeless Intervention Program, Supportive Housing and Emergency Homeless Services, are critical to helping families stay housed.

Supportive housing has been proven to be a cost-effective housing solution for homeless families facing substance abuse or mental illness, as well as for youth aging out of foster-care system.

Supportive housing is cheaper than shelter care, and allows formerly homeless individuals and families the ability to receive housing and supportive care in their communities.

So, we -- once again, we really appreciate the ability to speak to you here today.

We understand that the state of our economy creates immense budgetary challenges, but, we

are really looking forward to working with you, to continue to try to protect needed human services during this very difficult time.

Thank you.

SENATOR SAVINO: Thank you, Louise.

And just to point out, you're the only person who mentioned juvenile-justice reform, which is something we will be working closely on, going forward, over the next couple of months.

I just want to make one point about the Advantage program, just in case anybody gets the wrong idea.

It wasn't the State that took it away.

In fact, it was a program that -- when it was considered for the extension of funding, it was the City of New York that said it didn't work. They didn't want to continue it.

And so, said, "Fine."

And, then, at the last minute, they came running to Albany, and said: Oh, my God. You can't do this to us.

They did it to themselves.

I don't know what the answer is.

And, I'm assuming they'll be coming to us, hopefully, with some proposals, and some

recommendations, on how we can fill that gap.

And, now, our final speaker is, Sierra Stoneman-Bell.

SIERRA STONEMAN-BELL: Thank you.

Thanks, last, but not least.

I'm Sierra Stoneman-Bell, co-director of Neighborhood Family Services Coalition.

And, I just want to thank you both for holding this forum today, and allowing me to speak at the end of a long session.

I'm going to kind of hone in on one issue today; that is, the -- is, GED testing, and pathways to an equivalency diploma, which was mentioned earlier by Nancy Wackstein.

Uhm -- but -- and I'm speaking today on behalf of the Campaign for Tomorrow's Workforce, which is a coalition that we co-lead, along with United Neighborhood Houses and Community Services Society.

And, it's really focused on advancing policy solutions to reconnect young adults to education and work.

And, so, the GED is, obviously, an important issue there. And, we have been convening providers in the adult-literacy field for the last

couple of years, really trying to look at the GED-testing service system, and how it works, and doesn't work.

And, you know, while this is a -- primarily, an education issue, I wanted to speak about this topic here today, because it has, you know, potentially, great impact on the human-services sector.

There are 2.8 million adults in the state who are out of school and lack a high school credential. And many of these New Yorkers rely on human-services organizations to develop their skills, continue their education, prepare for the workforce.

And, for those who left high school without a diploma, the test of general educational development, the "GED," has been a really important gateway to post-secondary education and professional advancement.

And, you know -- and it's also a tool, the GED, that is -- that the workforce system relies on to show progress, and show gain, for both youth and adults.

And, so, we're -- and it's also -- we're at a time where graduation requirements in K through 12

are, really, kind of, increasing.

And, also, you know, the expectation of having some sort of post-secondary education in the workforce is more and more important.

So, having pathways to an equivalency diploma for those who not complete high school, the diploma is very important.

In recent years, budget cuts have threatened GED testing and adult-literacy programs. And there is a -- the disruption of State funding for GED testing in 2010.

And, there are very big changes that are coming to the GED test in the next couple of years, which, I think we all just need to start being aware of.

It -- there's going to be a new GED test in 2014, which sounds far away, but it's really not. It's going to be more difficult, and more expensive.

The GED test is developed, and administered, by the GED Testing Service. That's a national entity, and they're redoing the GED test to be aligned with common-core standards, which are aligned with college-and-career-readiness standards.

And, so, the reality is, that, what's happening, is that, because the GED test is changing

now, in 2014, it's, actually, the bar is being set higher for adult learners in the adult-education system, before even the K through 12 system has really shifted to have the common-core standards be what, you know, we're really going for.

And, so, you know, given the fact that this is going to make the test much harder, I mean, if, you know, barring more investment and supports for adult learners, who generally have less time to, you know, go to school, and kind of bring up their skills, and, there are, obviously, much less investment in an adult-education system, overall, than in K through 12, there's -- it's going to result in many fewer people being able to pass the test.

And, this also has impact for the workforce system, which, again, looks at the GED as a key outcome.

So, what happens there?

Another issue, is that, the tests will be -- probably, going to be cost -- costing twice as much.

And the way it works now, is the New York State Education Department contracts with test centers around the state, to administer the test. And they pay a small amount of reimbursement to test

centers who administer the test.

About 50,000 GED exams are given each year in New York City -- I mean, in New York State. Excuse me. And this, still, does not take into consideration many people who are on the waiting list.

The -- what's happened is, that the GED has recently moved to a for-profit operation, nationally.

So, basically, the GED is a tool; it's an assessment tool, that's used. And states can honor that -- passing that test to get a high school equivalency diploma.

Most of us understand the GED as, like a, diploma itself, but it's actually not. So, there's a lot of, kind of, reeducation around what the GED actually is, and how it's used.

But -- so, the American Council on Education, which is the national non-profit that has developed and administered the GED for a decades, has merged with Pearson, which is a for-profit publishing company. And, this is -- just kind of raises further questions and concerns around, you know, the increased costs: Are people going to have access to it?

And, the interplay with state policy.

So, there's been a move in the field; and, the State Education Department is also moving to look at alternative pathways to a high school equivalency diploma.

Right now, the GED test is the main way that people in New York State can get a high school equivalency diploma, but it's not the only way, actually, right now.

And, so, there's a lot of interests, given the changes to the GED tests, especially around cost, in terms of the State's interest, that, you know, if the cost of the test doubles, you're going to have half as many people being able to even take the tests, given the same budget allocations.

So, that's really concerning.

So, the -- I'll just run through the recommendations, really quickly, which is -- you know, really represents a lot of the adult-education providers in the city.

I mean, one is, obviously, that, in the short term, we need to maintain the current funding for GED testing and preparation services.

And this is, you know, the GED test centers, adult-literacy education, and

employment-preparation education, which are two other funding streams that come out of the State Ed Department.

And, there's also going to probably be a surge in people who want to take the test before it changes in 2014. And, so, you know, we need to make sure, in the short term, we can deal with that demand.

We also believe that free access to the GED test should be maintained.

There have been some proposals to start charging a fee, or to require that people pass a pre-test before they can even sit for the test.

But, we oppose these proposals, especially, given that we're moving toward this new test, which has all sorts of other implications.

But, finally, and probably most important for the long term, is, to really look at, and support, developing alternative pathways to a high school equivalency diploma.

And, we're really pleased that the State is starting to look at this.

And, I think, as a human-services sector, we just need to really understand what these changes mean, and, you know, begin to think about how

human-services programs are going to adapt to this, and respond.

And, uhm -- and, you know, we just look -- really look forward to working with members of your Committees, as well as the Education Committee, to make sure that we have a stronger set of pathways to an equivalency diploma.

So, thank you.

SENATOR SAVINO: One question: How much does a GED cost now?

SIERRA STONEMAN-BELL: So, the GED test, there's no charge to the test-taker. And New York is, actually, one of the few states who has offered free access.

The State Education Department has a -- it -- they have a budget that pays for -- they pay $20 per reimbursement -- sorry, per test, to reimburse the test centers. That doesn't cover the whole cost.

And then they have, about, triple that, to administer the test, and pay for their own costs.

So -- and it was a long answer; but, basically, if you added that all up, the State of New York pays about $60 per test.

And the projected cost for the new tests, is

about double that.

SENATOR SAVINO: About 120 per person?

SIERRA STONEMAN-BELL: Per battery of tests, per person.

Yes.

SENATOR GALLIVAN: Will that cost go down, or does that cost have to do with the implementation of something new?

SIERRA STONEMAN-BELL: Well, the reality is, that the -- the cost is determined by the owner of the GED test, which is a national group, which is now Pearson. It's called the "GED Testing Service." They define their costs. There's no regulation on that.

I mean, they are -- you know, they look to the states as their market for their tests.

So, you know, there's an interesting decision now that the State has to make, about how much subsidy, or how much to pay, to test centers to offer that test. And, how much to rely on that test as the one -- or, the main way to offer a high school equivalency diploma.

So that's kind of -- those are the considerations that we're looking at now.

SENATOR SAVINO: Thank you.

SIERRA STONEMAN-BELL: Thank you.

MR. GERMAIN: Thank you both.

SENATOR SAVINO: I think that's it.

I want to thank everyone for coming, and staying, and thank you for sitting here.

SENATOR GALLIVAN: We didn't miss anybody out there, did we?

Thank all for being here.

(Whereupon, at 1:48 p.m., the Joint Committee Roundtable concluded.)

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