



**Andrew M. Cuomo
Governor**

**Testimony
of
Kristin M. Proud
Commissioner
NYS Office of Temporary and Disability Assistance**

**Before the
Legislative Fiscal Committees' Joint Budget Hearing
State Fiscal Year 2014-15 Executive Budget
Human Services**

**Tuesday, February 4, 2014
1:00pm**

Good afternoon Chairman Farrell and Chairman DeFrancisco, members of the fiscal committees, and Chairs of the Social Services Committees. Thank you for the opportunity to appear before you today to discuss the State Fiscal Year 2014-15 Executive Budget as it relates to the Office of Temporary and Disability Assistance (OTDA).

The Executive Budget submitted by the Governor for State Fiscal Year 2014-15 will support OTDA's core mission of enhancing the economic security of low-income working families, assisting individuals with entry into the workforce, providing necessary benefits and services to the State's most vulnerable residents to help them achieve and maintain stability, enhancing child well-being, and reducing child poverty in New York State.

In recognition of the importance of stable, safe, and affordable housing for public assistance recipients and low-income households in all regions of the State, the Executive Budget increases funding for the Homeless Housing and Assistance Program (HHAP) from \$30 million to \$63 million in SFY 2014-15. Permanent housing for homeless families and individuals, especially those who are currently living in shelters, will continue to be a primary focus of this funding, which is projected to support approximately 1,030 new units of housing.

In order to reduce homelessness, the provision of affordable, appropriate housing for individuals and families at risk must be coupled with services and supports needed to reduce evictions, ensure housing retention, and assist individuals and families toward self-sufficiency. In recognition of that need, the State Fiscal Year 2014-15 Executive Budget maintains the homeless services appropriation at \$30.28 million. These funds will support the continuation of streamlined homeless services programs administered by OTDA and delivered by not-for-profit organizations in communities across the State.

The SFY 2014-15 Executive Budget develops innovative programs to achieve better human services outcomes while saving taxpayer money. The budget proposes to increase the utilization of the innovative "Pay for Success" public-private partnership contract model to attract private funding for preventative programming. It increases the utilization of this innovative structure from the \$30 million authorized in the 2013-14 Enacted Budget to a total of \$125 million and includes solutions to reduce homelessness as one of the Pay for Success initiative areas.

Addressing the issue of food insecurity remains a priority of the Governor. As of the end of 2013, the Supplemental Nutrition Assistance Program (SNAP) served nearly 3.2 million New Yorkers. Since the SNAP caseload began rising after July 2007, the number of SNAP recipients has increased by 1.4 million or 76 percent. A total of \$5.6 billion in federal SNAP benefits were issued in New York State last year.

To assist households that may be eligible for SNAP benefits but are not yet receiving them, the Executive Budget recommends continuation of approximately \$3 million in funds for the Nutrition Outreach and Education Program, or NOEP. From July

2012 through June 2013, over 70,000 SNAP benefit eligibility pre-screenings were performed under the NOEP contract, resulting in 32,100 households approved for SNAP and translating to over \$79 million in federal SNAP benefits. The State Fiscal Year 2014-15 Executive Budget continues to provide \$2 million for food banks, to supplement funding provided by the State Department of Health through the Hunger Prevention and Nutrition Assistance Program.

The *myBenefits* Internet portal, www.myBenefits.ny.gov, provides New York State's families and community partners with the opportunity to connect with benefits, services, and work supports online. This web portal, which is currently available in eight languages, has become an important pre-screening tool to help households determine their potential eligibility for an array of public benefits programs and work supports for low-income working families. In 2013, there were nearly 211,000 pre-screenings completed via *myBenefits*, bringing the total number of completed pre-screenings since the inception of the web portal nearly six years ago to over 1.1 million.

Households can file SNAP applications online, and households outside of New York City can apply for HEAP benefits via *myBenefits*. In January 2013, 16 social services districts began participating in a new *myBenefits* initiative to allow public assistance recipients to recertify for benefits online.

OTDA, in partnership with the 58 social services districts, helps low-income individuals and families address emergency financial situations and meet ongoing basic needs while simultaneously providing the supportive services necessary to promote self-sufficiency. At the end of calendar year 2013, 566,424 persons received cash assistance through New York's Family Assistance and Safety Net Assistance programs.

Federal Temporary Assistance for Needy Families (TANF) funding is vital for the support of programs that are core to OTDA's mission. Once again, OTDA has qualified for federal TANF contingency funds, and New York State anticipates the receipt of approximately \$214 million in contingency funds in Federal Fiscal Year 2014, in addition to the \$2.44 billion annual TANF block grant allocation.

To comply with federal law, states must have policies and practices to prevent federal TANF benefits in the form of electronic benefits transfer, or "EBT," cards from being used by recipients in liquor stores, casinos, gaming establishments, or adult-oriented entertainment establishments. New York State is undertaking a multi-pronged approach to meet the federal requirements and to ensure that public assistance is used as intended.

I am pleased to report that the Executive Budget includes a \$27.5 million TANF appropriation for the Summer Youth Employment Program. This is a \$2.5 million increase over the current year and will enable the program to continue at the same level of services with the increase in the minimum wage. This is an important program that provides low-income youth participants with immediate and long-term benefits from positive work experiences. With \$25 million available in the summer of 2013, the program was able to provide jobs for approximately 18,000 low-income youth.

Another key component of OTDA's commitment to families and children is the child support enforcement program. In 2013, the program provided services to 945,000 families in New York State and collected over \$1.8 billion in child support payments on behalf of custodial parents and their children.

OTDA is moving forward with the design and development phases required to implement the takeover of administration of the Supplemental Security Income (SSI) State Supplementation Program from the federal Social Security Administration authorized in the 2012-13 Enacted Budget. Currently, the State pays the Federal Government \$11.32 per individual benefit issuance. By administering this program directly, the State is projected to save approximately \$90 million per year when the takeover is implemented. We are on track to meet the goal of full implementation in October 2014.

In summary, OTDA is committed to working with the Governor and with you to continue the transformation of New York into a state that can once again rightly be called the Empire State. Thank you for the opportunity to testify today, and I welcome your comments and questions.