

Testimony for the Joint Legislative Hearing on the State Fiscal Year 2025-26 Executive Budget Proposal Human Services

Testimony of Julia L. Davis

Director of Youth Justice & Child Welfare

Children's Defense Fund – New York

jdavis@childrensdefense.org

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p: (212) 697-2323

f: (212) 697-0566

Children's Defense Fund – New York (CDF-NY) thanks the chairs of the Assembly Ways and Means Committee and the Senate Finance Committee for the opportunity to submit testimony for the Joint Legislative SFY 2025-2026 Budget Hearing on Human Services.

About the Children's Defense Fund

Children's Defense Fund (CDF) is the only national, multi-issue advocacy organization working at the intersection of child well-being and racial justice by wielding the moral authority of programmatic proximity and community organizing to inform public policy. CDF serves and advocates for the largest, most diverse generation in America: the 74 million children and youth under the age of 18 and 30 million young adults under the age of 25, with particular attention to those living in poverty and communities of color. We partner with policymakers, aligned organizations, and funders to serve children, youth, and young adults. As the New York State office of the Children's Defense Fund, we focus our statewide movement-building and policy work on economic mobility, health equity, child welfare and youth justice.

Passing the Youth Justice Innovation Fund in the Budget: Expanding Community-Based Support for Youth and Public Safety

Overall, youth crime has consistently gone down since the Raise the Age law was first implemented in 2018. Evidence from across the State shows how the law has improved community safety and youth well-being. Despite this significant progress, New York State has failed to fully deliver on its promise to fund community-based programs that provide a continuum of services from prevention and early intervention through alternatives to incarceration and aftercare. From 2019 to 2023, only a third of the money appropriated for youth justice under Raise the Age was spent. In 8 out of the top 10 counties outside of New York City, more than 80% of approved spending on Raise the Age implementation was for detention, placement and law enforcement. In these counties, less than 20% of funds approved – sometimes as little as 10% – were for community-based services and programs.

¹ Jason Beeferman, *The \$980M collecting dust in Albany*, Politico. Jan. 16, 2025.

² The top 10 counties outside of New York City are based on the number of arrests among youth under the age of 18 in 2022 for Rest of State counties. Those 10 counties include: Albany, Broome, Erie, Monroe, Nassau, Oneida, Onondaga, Orange, Suffolk and Westchester.

³ Children's Defense Fund-New York for the Raise the Age New York Campaign, *Analysis of Top 10 Rest of State County Raise the Age Implementation Plans.* July 2024.

The Executive Budget Proposal (Aid to Localities) includes \$250 million in funding again this year but fails to adjust the mechanisms for ensuring that more of those funds reach young people as intended through community-based supports.

Call to Action: The final enacted budget should include the Youth Justice Innovation Fund (A767 Solages / S643 Cleare). The Fund would be administered by the New York State Division of Criminal Justice Services⁴, making \$50 million of the current appropriation available to community-based organizations most trusted and best-equipped to serve adolescents and young adults, through a grant-making program for young people who are at-risk for or who come into contact with law enforcement. The Fund would support local organizations providing services ranging from mentoring and school support to employment and internships, as well as for mental health, counseling and other age-appropriate programs shown to reduce contact with the criminal justice system and future court-involvement. A recent report from the statewide Alternatives to Incarceration coalition shows that there is currently a significant gap in these kinds of programs. Before this, community-based organizations have accessed state funding for youth justice through county plans, meaning that the fabric of community-based support is vastly different in different parts of the state, based on local politics and priorities. The Innovation Fund would be available to community-based organizations across New York State, and groups could apply for this state funding directly, making access more equitable.

All young people regardless of their community, including those in New York City, would benefit from the Fund. The Fund would also break-down current silos in funding that create arbitrary barriers to serving youth in different court systems by supporting programs and services for youth from age 12 through 25. Redirecting a portion of the appropriation to the Innovation Fund would help to build up these critical community resources that bolster neighborhood safety and support positive youth development.

II. Passing the Child and Family Wellbeing Fund in the Budget: Investing in Community Resources Through Participatory Grantmaking

⁴ New York State Division of Criminal Justice Services currently administers a similar grant program called <u>Project RISE</u>.

⁵ New York State Alternatives to Incarceration and Reentry Coalition, *Unlocking Potential: The Role of Community-Based Alternatives in Strengthening Public Safety.* December 2024.

New York State law sets forth "family policy guidelines" that prioritize government support for families that promote "safe, nurturing environments which support the healthy growth of all family members." The legislative findings stress that all government actions impacting children and families "must be directed toward stemming the human and financial costs of the unnecessary placement of children outside their homes, while ensuring the safety and well-being of children."

Despite the law and the goals set forth by lawmakers in New York, our current systems for addressing family precarity are punitive, especially for marginalized communities. Black and Latinx parents are disparately impacted by the child protective services ("CPS") system for challenges faced by families of all races and ethnicities, as well as socioeconomic status.⁸ Moreover, the majority of reports to the state child abuse hotline are made not for abuse, but for poverty-related conditions, including housing instability and homelessness, lack of transportation to school, inability to obtain medical care, lack of food and other unmet basic needs.⁹ In a recent national survey, approximately 75% of child welfare leaders believe that the inability to meet basic needs is frequently a primary reason for child maltreatment reports, and 100% identify it as a contributing reason.¹⁰

Call to Action: The final enacted budget should include a new \$30 million dollar Child and Family Wellbeing Fund, which would operate in 10 communities with the highest levels of CPS contact and racial disparity, to support local grantmaking during a 5-year pilot. Championed by Assemblymember Hevesi and Senator Brisport (bill numbers forthcoming), the Wellbeing Fund would direct state dollars to grow neighborhood assets through a local inquiry and grantmaking process.

The Child and Family Wellbeing Fund's Structure

<u>Community-driven Investment</u>: The Fund would direct state dollars to groups that are deeply
embedded in communities and responsive to local needs. Grantees are determined by a local
advisory committee who have been identified by the community, composed of individuals with

⁶ New York Consolidated Laws, Executive Law - EXC § 991. Family policy guidelines.

⁷ *Id*.

⁸ New York Advisory Committee to the U.S. Commission on Civil Rights, *Examining the New York Child Welfare System and Its Impact on Black Children and Families*, May 2024.

⁹ *Id*.

¹⁰ Heaton, L., Cepuran, C., Grewal-Kök, Y., and Anderson, C. (2023). *The role of concrete and economic in prevention of maltreatment: Findings from a national study of child welfare leaders.* Chapin Hall and American Public Human Services Association. Chicago, IL, and Washington, DC.

- lived experience and individuals with professional experience in relevant public system policy and community engagement.
- Operational Accountability: Since the vision is to prioritize small, local groups and organizations
 that may not have capacity to seek out and apply for state grants, the Fund will operate through
 a "backbone" organization, which will provide technical assistance and support for communities
 to determine which kinds of community investments they want, support local advisory
 committees in soliciting and evaluating grant proposals, and distributing funding according to
 local decisions.
- Reporting and Evaluation: The backbone organization would be responsible for documenting the
 grants, collecting information for evaluation and producing reports to the Legislature and the
 public that demonstrate the process, impact, and effects of the Fund's community-led grantmaking process and state-funded investments.

The new Child and Family Wellbeing Fund is an opportunity to resource local and grassroots organizations that families trust. In this way, the Fund would strengthen family structure through community-based groups that are responsive to the particular needs, desires, and aspirations of the children and families they serve.

By alleviating the burdens associated with funding and providing technical support and capacity-building resources, the Fund will strengthen and multiply community assets by investing in local projects and organizations. The ultimate goal of the Fund is to facilitate and normalize a caring, community-driven resource allocation approach that helps families flourish. Ensuring that the Child and Family Wellbeing Fund is part of the enacted budget this year is critical to our shared vision for children and families across New York State.

III. Financial Support for Young Adults and Families: Cash Assistance Reform

In our work with young adults emerging from foster care, we have seen firsthand the gap between what young people need and the financial supports around them. This is true of young adults who are living independently and individually, and those who are parenting. Our research conducted with and among young adults who recently aged-out of foster care in New York City – many of whom are eligible for or have used public benefit programs – report extreme precarity and financial stress. In *We Demand Action, Not Just Words*, our data showed that 80% of young people could not afford one or more

essential costs (food, rent, utilities, hygiene products or transportation) in the last month. ¹¹ Large numbers of youth report struggling to afford basic necessities over the last 6 months: 51% report not having enough money to pay for food, 38% report not having enough money to pay rent, 32% report not having enough money to pay utilities, and 31% report not having enough money to pay for hygiene products. ¹² Members of our research and organizing collective YouthNPower: Transforming Care also testified at the Governor's Child Poverty Reduction Advisory Council (CPRAC) hearing in May 2024 about the challenges using public benefits, including cash assistance. ¹³

A recent report from the New York City Family Policy Project also illustrates the need for immediate legislative action around cash assistance. As the paper explains, eligibility for cash assistance in New York is lower than 27 States, meaning that access to this benefit requires people to fall deeper into poverty in order to obtain (often meager) state support. Families must have extremely low incomes to apply for cash assistance, excluding most families in poverty. A family of three cannot make more than \$9,468/year (or \$789/month) when applying. If families are approved at this very low income level (and meet all other criteria), they can then make up to \$29,640/year and continue receiving cash benefits. The collective effect of our current cash assistance policy is to ignore and neglect the needs of our neighbors living with the fewest financial resources. It is a policy choice, and it is wrong.

Call to Action: The final enacted budget must include changes to cash assistance, including:

 Increasing monthly cash assistance benefit amounts for the first time in over a decade as recommended by the New York Child Poverty Reduction Advisory Council (CPRAC)¹⁷ by passing A106 (Rosenthal) / S1127 (Persaud).

¹¹ Mica Baum-Tuccillo, María Elena Torre, Julia Davis, Maya Tellman, T'coy Adams, Laetitia Brutus, Shania Benjamin, Embraia Fraizer, Christine Joseph, Amal Kharoufi, Ellenie Liang, LaTroya Lovell, Justin Mercado, Mya Martinez, Shauntay Mayfield, Susan Notkin, Denice Ocana, Jose Perez, Chanel Smith, and Grace Tatom. (2024). "We deserve action. not just words:" Findings of a Survey of Former Foster Youth in New York City."

¹² Id.

¹³ YouthNPower: Transforming Care, *Written Testimony Submitted to the New York State Child Poverty Reduction Advisory Council.* May 2024.

¹⁴ Mahima Golani, "What're You Going to Do with that Little Bit of Money?" NYC cash assistance and how it could shift to unconditionally invest in families, explained. May 14, 2024.

¹⁵ *Id.*

¹⁶ *Id*.

¹⁷ New York State Child Poverty Reduction Advisory Council, <u>2024 Recommendations and Progress Report</u>. December 2024; see also, New York Can End Child Poverty Coalition, <u>What is the New York State Child Poverty Reduction Act</u>.

- Passing A108 (Rosenthal) / S113 (Cleare) and establishing parity for homeless recipients living in shelters that serve three meals with other shelter residents and cash assistance recipients.
- Eliminating the benefits cliff / resource test and extending the income disregard to better enable
 low-income people to exit cash assistance prepared to manage future economic precarity, also as
 recommended by CPRAC, by passing A4352 (Rosenthal).

IV. Expanding Unconditional Cash Support

Our work on unconditional cash support at CDF-NY as part of YouthNPower: Transforming Care¹⁸ is consistent with decades of research findings, showing that cash promotes health and wellbeing, engagement with work and school, social connections and helps reduce stress.¹⁹ It is also a policy that must be developed and expanded to "co-exist[] within a larger toolbox of social services, benefits programs, and social and economic policies designed to promote economic mobility and pathways to thriving."²⁰ New York's approach to cash must be an adjunctive strategy, rather than at the expense of current safety net programs.

Call to Action: This year, the final enacted budget should include two programs that recognize the need for cash:

- Baby Bucks (A1597 Clark / S2132 Ramos). This Governor's Proposed Executive Budget directs \$8.5 million to the BABY Benefit, the nation's first publicly funded baby allowance program. However, the BABY Benefit is only accessible to families receiving cash assistance. While we are encouraged by the Governor's BABY Benefit proposal, the final enacted budget should include a more robust cash support program during the perinatal period as proposed by Assemblymember Clark and Senator Ramos: the Baby Bucks Allowance. This legislation would offer monthly cash support of up to \$1,000 to 15,000 new moms and their babies across the state in the areas with the highest childhood poverty rates.
- Support for People Returning Home (A193 Gibbs / S4078 Parker). Concrete supports for people coming home from incarceration are essential to both that individual's health and wellbeing, as

¹⁸ YouthNPower: Transforming Care.

¹⁹ Berger Gonzalez, S., Thompson, A., Castro, A., West, S. & Cross, N. (2024, November). <u>A policy framework for guaranteed income and the safety net. University of Pennsylvania, Center for Guaranteed Income Research</u>. ²⁰ Id.

well as our community safety. Across New York State, reentry programs yield reductions in homelessness and psychiatric hospitalizations as well as increases in health-seeking behavior and relational connections, and overall desistance from risk-taking activities, including crime.²¹
Currently, the 9,000 individuals returning from New York's prisons each year receive only \$200 in "gate money" as they transition back to their communities. The Returning Citizens Stimulus (RCS) was a New York state pilot, administered by the Center for Employment Opportunities, during the pandemic to help New Yorkers at the point of reentry. The initiative provided three cash payments to over 1,700 formerly incarcerated New Yorkers (each receiving up to \$2750). In a third-party evaluation, recipients reported using this cash to meet basic needs, such as covering food and rent, all while preparing themselves to find permanent employment.²² This legislation establishes a \$25 million fund to cover the essential costs that people are expected to bear upon release, ensuring stability during the critical period of their reentry. This bill will provide eligible people with a minimum of \$2,550, paid in monthly increments of \$425 over the course of 6 months, empowering them to care for themselves and contribute within their communities.

V. Increasing SNAP Benefits

Nearly 3 million New Yorkers participate in the Supplemental Nutrition Assistance Program (SNAP), which provides monthly benefits on an Electronic Benefit Card to spend at local grocery stores and farmers' markets. Benefits are calculated based on the number of people living in the home, income, and expenses. Unfortunately, we see many people who rely on SNAP receive small monthly benefits – often under \$100.

Call to Action: The final enacted budget should include a guaranteed minimum benefit of \$100 for all participating New Yorkers by including **A1318 (Gonzalez-Rojas) / S665 (May)**. This policy setting a \$100 floor is estimated to impact over 107,000 New York State residents who currently receive less than \$100 per month in SNAP benefits. In New York City, this would impact over 28,000 people.²³

²¹ New York State Alternatives to Incarceration and Reentry Coalition, *Unlocking Potential: The Role of Community-Based Alternatives in Strengthening Public Safety*. December 2024.

²² Ivonne Garcia, Margaret Hennessy, Erin J. Valentine, Jed Teres, Rachel Sander, <u>Paving the Way Home: An Evaluation of the Returning Citizens Stimulus Program.</u> September 2021.

²³ Equity Advocates: New York Food Policy Alliance – SNAP Minimum Benefits.

VI. Conclusion

Thank you for your consideration of this written testimony. The Children's Defense Fund – New York looks forward to working with you on an enacted State budget that improves the health and well-being of children, youth and families across New York State. Please contact me with any questions or concerns regarding this testimony.