

Testimony of Alice Bufkin, Juan Diaz, Caitlyn Passaretti, and Jenny Veloz Citizens' Committee for Children of New York Submitted to the New York State FY 2026 Joint Legislative Budget Hearing Human Services February 12th

Since 1944, Citizens' Committee for Children of New York has served as an independent, multiissue child advocacy organization dedicated to ensuring every New York child is healthy, housed, educated, and safe. CCC does not accept or receive public resources, provide direct services, or represent a sector or workforce; our priority is improving outcomes for children and families through civic engagement, research, and advocacy. We document the facts, engage and mobilize New Yorkers, and advocate for solutions to ensure the wellbeing of New York's children, families, and communities.

Thank you, Chair Pretlow and Chair Krueger, as well as all the members of the Assembly Ways and Means, Senate Finance, Assembly and Senate Children and Families, and Assembly and Senate Social Services Committees for holding today's Joint Hearing today and allowing us the opportunity to respond to Governor Hochul's FY26 Executive Budget.

In 2023, Citizens' Committee for Children of New York (CCC) released the "Child & Family Well-being in New York State" index, an inclusive statewide report that examines county-level data on economic security, housing stability, health care, education, youth, and families and communities. Findings from this report underscore the urgent need for the State to invest in solutions that lift incomes and combat poverty, increase housing stability and food security, strengthen child development, and support the overall wellbeing of youth, family and communities.

New York is confronting a federal administration that is launching a multi-pronged assault on those who are already most marginalized in our state. Poor New Yorkers, immigrant New Yorkers, Black and Brown New Yorkers, New Yorkers with disabilities, transgender New Yorkers, and others are facing the brunt of these policies and budget decisions. This is a time for New York to stand strong in the face of these targeted attacks, and to recommit to addressing the systemic inequities facing children and families in our state long before this federal administration. We look forward to standing with our state leaders as you fight for all New Yorkers, and recognize that investing in children and families now results in a better future for all.

Below, we outline the steps our State must take in the Fiscal Year 2025-26 Executive Budget to ensure that every New York child in every family is healthy, housed, educated, and safe.

Lift Incomes and Combat Child Poverty

CCC applauds Governor Hochul for including in her FY26 Executive Budget proposals to allocate \$800 million to expand the state's Child Tax Credit and \$340 million for universal free school

meals. These proposals take important steps towards combatting child poverty and providing families with the resources they need to thrive.

However, the breadth of child poverty in New York requires even more expansive solutions. CCC is grateful for the work of the Child Poverty Reduction Advisory Council (CPRAC), which has developed a comprehensive roadmap for reducing child poverty by 50% over the next ten years. We join the NYS Can End Child Poverty Coalition in urging state leaders to uplift and fund CPRAC's full package of proposals in this year's budget. As families face rising costs, unaffordable housing and child care, and numerous other financial burdens, it is urgent that our state step forward and make long-term and sustainable investments in the future of New York's children and families.

Leverage Tax Policy to Lift Incomes

Tax credits have been shown to be extremely effective tools for reducing child poverty. For instance, the enhancement of the Federal Child Tax Credit (CTC) in 2021 led to a historic reduction in child poverty, resulting in a nearly 50% reduction in child poverty nationwide and in New York State. In turn, the reversal of the Federal CTC in 2022 brought poverty back to pre-Covid levels. In recent years, states have also enhanced their local child tax credits with favorable poverty reduction outcomes. Studies have illustrated that families used the extra income to address costs like food, clothing, utilities, and credit card debt. iii

We commend Governor Hochul's proposal to temporarily increase the Empire State Child Tax Credit to \$1,000 for children under 4 years old and to \$500 for children under 17 years old, and to remove the phase-in process, which unfairly prevents very low-income households to access the full credit. However, this proposal does not go far enough to create a permanent enhancement for families. We therefore recommend the following reforms to the Empire State Child Credit:

- Strengthen the Empire State Child Credit. Support CPRAC's recommendation to permanently increase New York's child tax credit from \$330 to \$1,500. This investment is estimated to reduce child poverty by more than 23% over the next decade. Additionally:
 - o Eliminate the minimum income requirement and phase-in that prevents the lowest income filers from receiving the full child tax credit, as included in the Governor's Executive Budget.
 - o Permanently index the child tax credit enhancement to inflation.
 - o Ensure that the child tax credit enhancement includes all children under 18 years old.

We also recommend including funding to conduct outreach to non-filer households that will be newly eligible for the full credit.

Support Housing Stability

In New York, 2 out of 5 households pay more than 30% of their income towards rent, and 1 in 5 pay over 50% of their income towards rent. The recently released NY State Comptroller's Office report highlights that the number of homeless children has more than doubled between 2022 (20,299 children) and 2024

(50,773 children). The same report revealed that 32% of New York's homeless are under the age of 18, one of the highest shares in the nation. Although Governor Hochul has proposed significant investments to increase affordable housing stock across the state, more immediate investments should be included in the FY26 Enacted Budget.

We therefore urge the inclusion of a statewide housing voucher in the adopted FY2026 Budget. This proposal, supported by the CPRAC, would operate much like the federal Section 8 program and would assist populations on the brink of homelessness or in shelter, regardless of their immigration status. A commitment of \$250 million for an inclusive statewide housing voucher would have a transformative impact, helping nearly 13,000 households statewide. A statewide rental assistance program available to all unsubsidized renting households below 50% AMI would have a significant impact in reducing child poverty by 15.7% over the next decade.

Enhance Public Assistance Benefits Levels

The state's public assistance program helps low-income families afford basic needs, offering them cash assistance, shelter allowance, and utilities assistance. However, benefits levels have not been increased in over a decade. On average, in NY State, a family of two (parent and one child), receives \$252 per month in cash assistance. With one of the highest cost-of-living nationwide and looming federal cuts to numerous public benefit programs, it is more important than ever for the State to increase access to public assistance. We urge state leaders to adopt the CPRAC recommendation to increase the Public Assistance benefits level by 100 percent and index it to inflation. It is estimated by the Urban Institute that this investment would reduce child poverty by 18% over the next decade.

Combat Hunger and Promote Food Security

Families across New York State continue to experience food insecurity at staggering rates. According to the New York State Comptroller's May 2024 report on Food Insecurity, households with children experienced food insecurity rates of 15% in 2023, much higher than households without children.

School meals are a powerful tool for combatting child hunger, and universal school meals have been shown to improve health, school attendance, and academic achievement, while reducing food costs to families. VI We therefore applaud Governor Hochul for investing in a fully funded universal school meals program in her FY26 Executive Budget and urge the Legislature to include universal school meals in the One House budgets and the Enacted Budget.

However, the Executive Budget fails to include funding for other anti-hunger initiatives that would help minimize food insecurity throughout the State, including proposals that were included in the CPRAC recommendations. With the threat of looming federal funding cuts to anti-hunger programs like SNAP, it is imperative New York State includes the following initiatives in the FY26 Enacted Budget to alleviate the continuing issue of hunger throughout the State.

CCC, in partnership with the New York Food Policy Alliance and the SNAP4ALL coalition, urges Governor Hochul and the State Legislature to make the following investments in the budget:

- Increase the SNAP minimum benefit to \$100 per month. When the emergency SNAP Allotment ended in 2023, many New Yorkers saw their SNAP benefits drop to \$23 per month, forcing low-income households to choose between paying for food or for other essential benefits.
- Create a state-funded nutrition program for those ineligible for the federal SNAP program. SNAP access is a proven tool for reducing hunger and poverty. Federal law currently excludes undocumented New Yorkers from accessing SNAP due to their immigration status, despite contributing over \$3 billion per year in state and local taxes. Vii
- Fully fund statewide hunger relief programs, Nourish NY and Hunger Prevention Nutrition Assistance Program (HPNAP) at \$75 million each. The Executive Budget currently funds HPNAP and Nourish NY at \$57.8 million and \$55 million, respectively.

Invest in Early Care and Education

Strengthen Access and Address the Workforce Crisis

In recent years, New York State has made historic investments and expanded income eligibility to increase access to child care, making child care affordable for tens of thousands of New York families. Under Governor Hochul, the state has capped co-pays at 1% of a family's income and increased Child Care Assistance Program (CCAP) eligibility to 85% of the State Median Income.

However, too many families continue to face barriers accessing affordable child care. Among these barriers are families whose parents or caregivers work unpredictable or fluctuating hours. Currently, families are only allowed child care assistance for the exact hours they work or attend school, making affordable child care unavailable to parents with inconsistent work schedules, part-time jobs, or those who work in the gig economy, such as the service industry or food delivery workers. Additionally, without a well sustained child care workforce, all the gains made in expanding access to child care will be in jeopardy, and the state's goal of moving toward universal child care will not be possible.

CCC, in partnership with the Empire State Campaign for Child Care (ESCCC), is calling on the State to support these critical investments aimed at expanding access and sustaining the child care system:

Provide sustained and reliable compensation and benefits to all members of the child care workforce. (\$1.2 billion)

- Create a permanent state fund to increase child care worker compensation. This fund should be
 robustly resourced and sufficient to offer all members of the child care workforce a significant boost
 in income; and
- Develop a plan for subsequent years to establish a minimum pay scale and career ladder based upon agreed upon criteria.

Ensure all New Yorkers can access child care, starting with guaranteeing child care assistance (CCAP) to eligible low-income New Yorkers (\$400 million).

• Make child care a state-funded entitlement for eligible families making less than 250% of the federal poverty threshold and increase state funding for CCAP to account for growth in the program.

- End New York's rule that denies CCAP to families if parent(s)/caregiver(s) earn less, on average, than minimum wage.
- End New York's rule of tying CCAP to parent(s)/caregivers' exact hours of work.

Help eliminate barriers to accessing child care for children with development delays and disabilities

• Increase the enhanced rate for children with special needs to 130% of the market rate (up from 115%) and take steps to make it easier for child care program to receive the enhanced rate.

Address the CCBG Funding Cliff That Threatens Child Care Assistance for Thousands of New York Families

In recent years, New York City and other counties have significantly expanded the number of children receiving child care assistance, and have used the Child Care Block Grant (CCBG) to fund this enhanced access. Between June 2022 and January 2025, the number of children using low-income child care vouchers in NYC increased by over 670%.

New York City is now close to exhausting its available CCBG funds. This is due to a combination of significant and targeted increases in child care assistance uptake; increased market rates; and the reinstitution of engagement requirements for families on cash assistance, which will increase the demand for child care assistance as parents return to work and training activities.

Ultimately, the City estimates that without additional funding, thousands of families will lose child care access. As families' eligibility ends, each month 4,000-7,000 children would lose child care assistance, as the City would have insufficient funds to recertify their care. This threatens to destabilize the provider system and deny thousands of families affordable and safe child care options.

While these challenges are particularly pertinent to New York City, other counties also rely on CCBG funds to provide child care assistance and are facing threats to sustaining services. CCC therefore urges State leaders to provide an additional \$240 million for FY25 and a total of \$1.923 billion for FY26 (\$900 million above the Governor's proposal) to maintain child care assistance for low-income families at the level to which NYC has expanded. We also urge the Legislature and Governor to assess the depth of need facing other counties that rely on CCBG and invest adequate funds to ensure continuity of services for families throughout the state.

Strengthen Youth, Families, and Communities

Support Immigrant Families

Thousands of New York immigrant households are in increasing danger of detention, permanent family separation, and deportation. In New York State, there are 215,700 immigrant children, and more than 250,000 U.S. citizen children live with at least one undocumented family member. The scale of federal threats to immigrant New Yorkers demands a robust response from State leaders to protect and support immigrant families.

We join the Care for Immigrant Families Coalition in calling for the following legislation and investments:

- Invest \$165 million in the New York State budget for immigration legal services and infrastructure, including the establishment of a comprehensive legal services infrastructure to train and hire additional legal teams.
- Pass the Access to Representation Act (ARA), which would establish a right to counsel for immigrants facing deportation (S.141/A.170);
- Pass the Bolstering Unrepresented Immigrant Legal Defense Act (BUILD), which would lay groundwork for the ARA by funding the infrastructure necessary for legal services providers to create, maintain, and expand robust programs to protect immigrants under attack.

We also support passage of the New York for All Act (A5686/S987), which would prohibit and regulate the discovery and disclosure of immigration status by New York state and local government entities.

Invest in the Youth Justice Innovation Fund

New York State's youth crime rates have consistently declined since the Raise the Age (RTA) law was first implemented in 2018. Evidence from across the State shows how the law has improved community safety and youth well-being. Raise the Age was intended not only to treat justice-involved youth in humane and developmentally appropriate ways, but also to provide counties with the resources needed to prevent involvement and re-involvement of youth in the criminal justice system. These resources were meant to include behavioral health, substance use treatment supports, mentoring, alternatives to detention and incarceration, and other vital support services.

Despite the intentions of RTA, New York State has failed to fully deliver on the promise to fund community-based services and programs. In fact, from 2019-2023, only a third of the money appropriated for youth justice under Raise the Age has been spent. Based on a review of spending in the top 10 counties (outside of NYC) less than 20% of funds approved - sometimes as little as 10% - were for community-based services and programs. New York City, despite representing about half of the youth justice system in the State, has never received these dollars.

The State's failure to ensure RTA funds reach the communities it was intended to has deprived communities of the resources they need to enhance services, support youth, and prevent youth involvement in the justice system. We therefore join partners across the state in urging state leaders to allocate \$50 million for a Youth Justice Innovation Fund to directly fund community-based organizations that provide a continuum of critical youth services, including prevention, early intervention, and alternatives to detention, placement, and incarceration for youth aged 12 through 25.

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¹ https://www.criminaljustice.ny.gov/crimnet/ojsa/juvenilearrests/index.htm

The Innovation Fund would take \$50 million of the annual \$250 million appropriation for Raise the Age and dedicate it to directly funding community based organizations providing services ranging from mentoring and school support, to employment and internships, to mental health, counseling and other age-appropriate programs shown to reduce contact with the criminal justice system and future court-involvement. The Innovation Fund builds on successful state-wide efforts like Project RISE, which has brought over \$30 million to communities to combat gun violence through public health strategies, including credible messenger and violence interruption programs. The fund would help to build up these critical community resources that bolster neighborhood safety and support positive youth development.

CCC also recommends the following steps to ensure RTA funds are being sent where they are most needed:

- **Expedite** counties' access to the already appropriated hundreds of millions of dollars for the Raise the Age law's implementation.
- **Ensure** New York City can access the RTA funding. NYC represents about half of the youth in the state, but statutory language excludes the city from receiving state support. Every county and all New York youth should benefit from state funding under RTA, no matter where they live.

Prioritize Child Welfare Prevention

Decades of research have made clear that the types of investments and supports that prevent child welfare involvement are those that promote family stability. A recent report by the New York State Office of Children and Family Services focused on the Family First Prevention Plan shows consensus on the most impactful ways to reduce child welfare involvement by investing in services that stabilize families outside of the child welfare system, such as housing, food, education, and child care.^{ix}

To protect New York's children and strengthen families, the state must prioritize investments in services proven to maintain child safety and keep families stable and together:

- Invest \$30 million in the Child and Family Wellbeing Fund, allowing families to access resources to support stabilization without having an open child welfare case. This fund would support accessing basic needs such as groceries, diapers, rent, and other resources.
- Increase the Foster Youth College Success Initiative (FYSCI) from \$7.9 million to \$10 million. Ensure this successful and growing program can fully support all young people with foster care experience who are navigating college and currently in the program.
- Reinstate the open-ended reimbursement for prevention services at the original rate of 75/25 state/county share. This broad array of services for children and families which includes counseling, housing and child care supports, and assistance in obtaining basic household goods is designed to keep families facing crisis intact and prevent the need for further involvement with the child welfare system.
- Invest in high-quality legal representation for parents with an open child welfare case in family court. Ensure legal services offer competitive pay and high-quality training to attorneys to support parents protecting their parental rights.

Support the Human Services Workforce

- Support the Bring Up Minimum Pay (BUMP) anti-poverty campaign seeking to pass legislation that will permanently achieve economic justice for human service workers by increasing base wages to reflect the cost of living. A true cost of living wage floor, paired with annual cost of living adjustments that reflect real rates of rising costs, is necessary to permanently change the economic trajectory for this vital work force.
- Increase the Governor's 2.1% Targeted Inflationary Increase (TII) for mental health and human services program to 7.8%. We greatly appreciate Governor Hochul continuing to commit to a cost of living increase for this vital workforce. However, the depth of the need is enormous and requires sustained and increased investments. We join advocates from across the state in urging the Governor and elected leaders to support a 7.8% COLA in response to widespread staffing shortages and rising inflation.

Thank you for the opportunity to provide testimony and for your consideration of these recommendations.

ⁱ Wilson, D., Collyer, S., Hardy, B., and Wimer, C. State-Level Poverty Impacts of the Child Tax Credit in 2021. Poverty and Social Policy Fact Sheet. 2023. https://povertycenter.columbia.edu/publication/2023/state-level-impacts-of-2021-child-tax-credit

ii Center on Budget and Policy Priorities. Record Rise in Poverty Highlights Importance of Child Tax Credit; Health Coverage Marks a High Point Before Pandemic Safeguards Ended . September 2023. https://www.cbpp.org/press/statements/record-rise-in-poverty-highlights-importance-of-child-tax-credit-health-coverage

iii Educational Alliance (2022). Settlement House American Rescue Plan Impact Study: Wave 1 Report. https://edalliance.org/wp-content/uploads/2022/09/SHARPImpact-Study-Wave-1-Sep-2022.pdf

iv DiNapoli T. P. New Yorkers in Need, Homelessness in NY State. NY State Comptroller Office. January 2025
 v New York State Comptroller (May 2024). Food Insecurity Persists Post Pandemic.

https://www.osc.ny.gov/reports/food-insecurity-persists-post-pandemic

vi Healthy School Meals for All (2025). Impact of the Policy. https://schoolmealsforallny.org/about/#impact vii Institute on Taxation and Economic Policy. Tax Payments by Undocumented Immigrants (2024). https://itep.org/undocumented-immigrants-taxes-2024/

viii Immigrants in New York. American Immigration Council. January 2025

ix NYS Office of Children and Family Services. New York State Family First Prevention Services Act Prevention Plan. https://ocfs.ny.gov/main/sppd/docs/FFPSA-Prevention-Plan-2022-07-29.pdf