

Testimony Commissioner Barbara C. Guinn

Before the Legislative Fiscal Committees' Joint Budget Hearing State Fiscal Year 2025-26 Executive Budget Human Services

> Wednesday, February 12, 2025 9:30am

Good morning, Chairpersons Krueger, Pretlow, Persaud, and Davila, and other members of the Legislature. My name is Barbara Guinn. I am the Commissioner of the State Office of Temporary and Disability Assistance. I welcome the opportunity to speak to you today about Governor Hochul's Fiscal Year 2026 Executive Budget and its support for the critical benefits and services our agency provides on behalf of residents of this state.

OTDA is responsible, in conjunction with local social services districts, for the delivery of benefits that provide economic assistance and support to eligible families and individuals. This work includes helping very low-income New Yorkers meet their essential needs, such as housing, food, and other basic necessities.

At OTDA, we are focused on improving customer service and program access for each program we oversee. We are dedicated to making accessing social services as seamless and supportive as possible.

We are excited about many of the proposals contained in the Governor's Executive Budget. Governor Hochul is committed to helping make New York more livable and affordable for all New Yorkers, and she is particularly focused on families and children. This focus includes making sure that we are taking action to help residents raise a family in New York State.

In collaboration with the Legislature, Governor Hochul has already:

- Expanded the Empire State child tax credit to include children under the age of four and distributed an additional \$330 per child to over one million families.
- Provided extra food assistance to families with school aged children through the Summer EBT program totaling approximately \$250 million and serving over 2 million children.
- Significantly expanded assistance for childcare, so that more families can access childcare subsidies and benefit from reduced copays.
- Increased the minimum wage and indexed it to inflation, so that workers' purchasing power isn't eroded when prices rise.

With these steps, and others, the Governor and Legislature have put in place policies, reforms, and investments that are improving families' economic security.

According to the expert analysis of the Urban Institute, the permanent policies implemented by this Administration over the past three budgets, when fully implemented, are estimated to reduce child poverty in New York State by up to 9.5 percent.

Governor Hochul's FY 2026 Executive Budget builds on this progress.

The budget includes a historic expansion of the Empire State child tax credit, a continued focus on making sure families can afford safe childcare, and new initiatives to improve maternal and infant health, along with a variety of other investments to provide a better future for New York families.

The proposed expansion of New York's child tax credit will support more than 2.7 million children, giving 1.6 million New York families an annual tax credit of up to \$1,000 per child under the age of four, and up to \$500 per child from ages four through 16.

To give you an idea of the magnitude of these increases, a family of four, with one child under four and one over four, earning \$110,000 per year would receive a credit of \$1,500, up from the current \$660.

In addition, this proposal eliminates the wage phase-in so that households with the lowest incomes will receive the maximum benefit.

As OTDA Commissioner, I also have the honor to serve as co-chair of the New York State Child Poverty Reduction Advisory Council. In December, the Council issued recommendations for reducing child poverty in New York State.

Expanding the Empire State Child Credit tops the list of this Council's recommendations. Evidence has shown that the child tax credit is one of the most effective ways to lift children out of poverty.

Once fully implemented, Governor Hochul's proposed expansion of the child tax credit is estimated to reduce child poverty in New York State by 8.2 percent for all children, and by more than 10 percent among children under four years of age.

Building on Governor Hochul's strong record of support for pregnant New Yorkers, new parents, and infants, the Governor is advancing another nation-leading legislative proposal to improve maternal and infant health through the provision of a birth allowance—the New York State Birth Allowance for Beginning Year Benefit, or BABY Benefit.

The BABY Benefit will improve the economic security of some of New York's most under-resourced households. This proposal will provide a \$100 per month benefit during pregnancy and an additional \$1,200 payment at birth for families who receive public assistance.

In addition, the Executive Budget also proposes providing maternal health and newborn supply boxes and diapers to new mothers. This work will be achieved through a partnership with Baby2Baby—a national nonprofit that provides essential items to children living in poverty.

This proposal is estimated to reach the families of approximately 100,000 babies at full implementation.

Funding is also included in the budget to implement the second year of the Summer EBT program, which provides food benefits to help cover the cost of groceries during the summer months when school is out of session and children may not have access to free meals.

The Executive Budget continues the Governor's commitment to address the housing shortage and increase affordability.

The proposed budget increases capital funding to create and preserve more supportive housing through our agency's Homeless Housing and Assistance Program (HHAP). The Executive Budget includes an additional \$25 million, bringing the total to \$153 million in capital funding, to help meet the ongoing demand for supportive housing and maintain existing units that provide a safe place to live for some of our most vulnerable New Yorkers.

This budget also provides the most significant investment in the New York State Supportive Housing Program (NYSSHP) since its inception. The NYSSHP portfolio includes New York State's first supportive housing programs. This budget increases the state's investment in NYSSHP by \$17 million, approximately a 40 percent increase in the program.

Additionally, the Budget supports a substantial increase in state funding available for the Empire State Supportive Housing Initiative (ESSHI). Combined, these two programs support nearly 30,000 supportive housing residents. The increases are tremendously important to ensuring our supportive housing stock remains viable and accessible to those who need it most.

Reducing child poverty and helping our fellow New Yorkers meet basic needs and advance economically is at the core of our agency's work. We seek your support to implement the investments included in the proposed FY 2026 budget.

We look forward to our continued partnership with the Legislature. Thank you again for the opportunity to testify, and I welcome your questions and comments.