Testimony before the Joint Fiscal Committees
On the SFY 2018-19 Executive Budget
Human Services Budget Hearing
February 6, 2018

Presented by
Kari Siddiqui, Senior Policy Analyst
Schuyler Center for Analysis and Advocacy

The Schuyler Center would like to thank the chairs and members of the respective committees for the opportunity to submit testimony on the 2018-19 New York State Executive Budget. The Schuyler Center is a 146-year-old statewide, nonprofit organization dedicated to providing policy analysis and advocacy in support of public systems that focus on people in need. The Schuyler Center often works in areas that fall between multiple systems including health, welfare, human services, and early care and learning.

Schuyler Center leads and participates in several coalitions focused on children and families and we convene a statewide workgroup on maternal, infant, and early childhood home visiting, which brings together State agencies, providers and advocates to strengthen coordination between and access to important dual-generation interventions. For more about Schuyler Center and our work, please visit our website www.scaany.org.

Thank you for this opportunity to provide testimony.

OVERVIEW

Since the Great Recession, New York State has made a steady, albeit slow and uneven, economic recovery. Last year, the State's economy was ranked among the strongest in the nation (12th).[1] In 2017, unemployment dropped to 4.8%.[2] And, Wall Street has rebounded, with profits rising by 21% in 2016, and bonuses to stock brokers averaging $138,210.[3] New York State is now home to more ultra-wealthy individuals (those worth more than $30 million) than any other state except California.[4]

Yet, even as New York's economic indicators have improved and many of its residents accrued tremendous wealth, the state fails to provide many of our children with the basic supports they need to grow, learn and thrive. As a result, more of our children live in poverty, suffer maltreatment, and struggle to succeed in school than in many other states. A greater percentage of New York children live in poverty than in 33 states, and only two states have a higher percentage of homeless students than New York.[5, 6] When other economic indicators are taken into account, like housing burden, New York's child economic well-being ranking drops to 41st in the nation.[7] In the area of child welfare, New York ranks near the bottom nationally on important safety and permanency measures. For instance, New York children are more likely to experience a recurrence of maltreatment than children in other states, and those in foster care are less likely to be placed quickly in permanent homes.[8]

New York has the knowledge and tools to do better by our children, and to provide them the stepping stones they need to set them on a path to achieving their potential. This Executive Budget proposes a few important new investments for children and families, including allocating funds for the development of the recommendations of the State's trailblazing First 1,000 Days on Medicaid initiative. Other proposals in the Executive Budget that will support and strengthen New York children and families include $15 million in new investment in Pre-K, a restoration of last year's $7 million cuts to child care subsidies, and a new investment of $10 million for the Empire State After-School Program, with $8 million targeted to school districts with high student homelessness.

However, once again, absent from this Executive Budget proposal are any bold moves to aid the nearly one-quarter of NY families and children living in poverty. Notably, the Executive Budget, like last year, takes aim at New York City's child welfare system – proposing a spending cap on the very family strengthening services that help to keep children safe and families intact. This proposal comes on the heels of last year's $62 million cut to the State's foster care block grant, with most of the cut directed at New York City. Nor does this year's Executive Budget do anything to expand access to quality child care, proposing only to restore the state back to 2017-18 subsidy levels.

While we recognize the state is facing a real and significant budget shortfall – and bracing for federal funding cuts – it is shortsighted to close the budget gap by underinvesting in our children and families. **Every budget that skimps on keeping children healthy, strengthening families, and building family economic security deprives more of our children the stepping stones they need to reach their full potential. This harms not only our children, but also threatens the future economic health and success of our state.**

CHILD WELFARE

The child welfare system serves some of the state's most vulnerable children and their families. The system includes the Statewide Central Register (SCR), child protective services, foster care, adoption and post-adoption. The responsibilities placed upon the child welfare system are enormous and profound, and adequate resources are required if the system is to fulfill them.

The Governor's proposed budget would fundamentally restructure how the state funds child welfare services in New York City, defund New York City's successful Close to Home juvenile justice initiative that serves many youth involved in the child welfare system, and flat fund nearly all other programs. These changes and the lack of new investment in child welfare services could negatively impact protective, preventive and foster care services, potentially leaving children at risk and deprived of the services they need to thrive. These proposals seem particularly unwise given that they come on the heels of last year's devastating $62 million cut to the State's foster care block grant. There are only so many cuts child welfare services can absorb without compromising the quality of programs and supports.

ENSURE THAT FUNDING FOR PREVENTIVE, PROTECTIVE, AFTER CARE, AND INDEPENDENT LIVING SERVICES REMAIN UNCAPPED AND OPEN-ENDED

The Executive Budget proposes to place a cap on reimbursement to New York City for preventive, protective, adoption, independent living and after-care services. This funding stream was intentionally structured to be uncapped and open-ended to incentivize services that keep children safely out of foster care (such as preventive and protective services), over placement into foster care. Introducing a cap will make it difficult for New York City and the state to continue to be a national leader on prevention, and establishes a dangerous precedent for capping spending in counties with far fewer resources.

The Executive Budget proposes to further disinvest in preventive services by maintaining a 62% State share for these services, as did the enacted 2017-18 Budget, instead of restoring it to 65%, as is written in statute. There is no philosophical reason behind this share reduction; it is simply a cut. Localities use these funds to provide essential services to families and their children who become involved with the child welfare system with the aim of keeping children safe, preventing foster care placements, and preventing re-reporting and re-entry. Funding such services not only strengthens families and keeps children safe at home, but can also lead to State savings across sectors, including health care, labor, criminal justice and social services.[9]

Finally, the Executive Budget proposes no new investment in primary prevention, that is, services offered before there is a child welfare case opened. At present, State reimbursement for child welfare preventive services, pursuant to Social Service Law Section 153-k, requires a child welfare case to be opened in order for a family to receive services. As a result, local social services districts' ability to effectively intervene when preventive resources can be most effective – before maltreatment occurs – is severely compromised. Further, many families are hesitant to voluntarily participate in these preventive services due to the stigma of an open case and the associated fear of having their children removed. By failing to invest in true community-based primary prevention and family support, we miss the opportunity to strengthen families before children are maltreated. Investing in primary prevention and family strengthening services that are proven to prevent maltreatment before it occurs by reducing factors that put children at risk and increasing the factors that protect from risk is better for children, families, communities and taxpayers.[10]

Schuyler Center urges the Legislature to reject the Governor's proposal to cap reimbursement for New York City's preventive, protective, independent living and after care services, and ensure that this funding remains uncapped and open-ended. We further urge the state to re-assume the 65% State share, as provided in statute, and to reserve that increased funding for community-based primary prevention services that reach families before there is a risk of removal to foster care.

RESTORE FUNDING TO THE FOSTER CARE BLOCK GRANT

Last year's final budget cut the Foster Care Block Grant by $62 million, with $23 million targeted solely at New York City, eliminating State reimbursement for tuition costs for children in residential facilities, and the remaining $39 million in statewide cuts, as a reduction in the State's share of funding for foster care. Counties' child welfare systems already operate on tight budgets, leaving them to carry out one of the most sensitive and important government functions – investigating cases of child abuse and assuming custody for those children unsafe in their parents' care. And these cuts came at a time when parental opioid abuse is causing an increase in the number of children entering foster care.[11, 12] While the data in New York is incomplete, we have heard from some counties that they are experiencing an increase in child welfare involvement due to parental opioid use.

Schuyler Center urges the Legislature to restore funding to the Foster Care Block Grant to 2016-2017 levels so that counties can continue to meet the needs of all families who become involved in the child welfare system.

STRENGTHEN THE HOUSING SUBSIDY FOR FOSTER FAMILIES AND YOUTH

Each year approximately 1,300 New York youth age out of foster care.[13] As many as one-third of youth who age out of foster care experience homelessness, and many more experience unstable housing arrangements. Currently, youth and families involved in the child welfare system may receive a housing subsidy of up to $300 per month to help stabilize their housing. This amount has not changed since 1988. However, the cost of housing is substantially higher: the average cost of a one bedroom apartment in New York City is $3,100 per month,[14] and New York State's median monthly gross residential rent is $1,117 per household.[15]

Not only is the current subsidy allowance inadequate to ensure youth and families can afford housing, particularly given skyrocketing housing costs, other limitations prevent youth from using the housing subsidy. At present, the subsidy is only available to youth until they reach age 21. However, because New York extends foster care until age 21, this means that youth aging out of the system are unable to avail themselves of the benefit to assist them in their transition to independent living. Furthermore, restrictions make it difficult for youth to receive the subsidy while living with a roommate. For many young people, living with roommates is both a practical financial decision, as well as a means of finding important social supports.

The State should raise the monthly foster care housing subsidy allowance to $600 per month, increase the upper age limit eligibility from 21 to 24 so that youth who age out of foster care at 21 can avail themselves of the subsidy program for up to 3 years; and allow flexibility so that youth may have roommates. We urge the Legislature to support AB259/SB1291 (Hevesi/Avella) which addresses all of the points.

FULLY FUND THE FOSTER YOUTH COLLEGE SUCCESS INITIATIVE TO SUPPORT YOUTH IN FOSTER CARE IN PURSUING HIGHER EDUCATION

Only two to seven percent of foster youth complete a two- or four-year degree. However, the best way to ensure that a youth will secure and retain good-paying employment in adulthood is a college education.[16] The Executive Budget proposes $1.5 million in funding for the Foster Youth College Success Initiative (FYSI) to support youth in foster care to pursue higher education to graduation. This represents a $3 million cut compared to last year's final budget, when the Assembly added $3 million to the Governor's proposal, bringing the program to $4.5 million.

This year, full restoration to $4.5 million is needed, along with the Governor's proposed $1.5 million, to support four cohorts of students through to successful completion of their course of study.

The State must fulfill its responsibility to the youth entrusted to its care and ensure they are prepared to lead independent and fulfilling lives by adding $4.5 million to the Executive's proposed $1.5 million ($6 million total) to support youth pursuing higher education who either are or have been in foster care. Funding at this level represents full funding for the program, supporting four cohorts each year.

STRENGTHEN KINSHIP GUARDIANSHIP ASSISTANCE (KINGAP) BY FUNDING IT AS A PERMANENCY OPTION OUTSIDE OF THE FOSTER CARE BLOCK GRANT

A relative is a preferred caregiver for children who are removed from their birth parents because such placements help to maintain connections to family and culture. The state should provide robust funding for programs that support families willing to step in and care for young relatives when the parents cannot.

The Executive Budget continues to fund the Kinship Guardianship Assistance Program (KinGAP) through the Foster Care Block Grant (FCBG), thereby diverting scarce funds from critical programs that aid foster youth, to fund a program that is not foster care, but a permanency option. In 2011, New York implemented KinGAP using funds from the FCBG, with the intent to use the FCBG for a period of just one year, but KinGAP continues to be funded through the block grant. Although the number of children in foster care has declined, the health and service needs of the children who are in care are significant and costly. The FCBG funds must be preserved to meet their needs.

Relatives in approved or certified foster care settings can apply for KinGAP when both adoption and family reunification are ruled out. Many of these families need financial assistance to continue caring for a foster child in their home. With this option, kin families can exit the foster care system and continue to receive financial support while still caring for the relative child.

Schuyler Center urges the Legislature to fund the Kinship Guardianship Assistance Program as an uncapped permanency option <u>outside</u> of the Foster Care Block Grant to incentivize more counties to use this important permanency option.

RESTORE FUNDING FOR KINSHIP CAREGIVER SERVICES AND INCREASE FUNDING FOR THE KINSHIP NAVIGATOR PROGRAM

Hundreds of thousands of children in New York are in informal kinship arrangements,[17] and the number of children entering into direct custody arrangements with kin has been steadily increasing over the last five years.[18] Kinship Caregiver programs offer important supports and services to kin, a majority of whom are grandparents, who care for their relatives' children in their household outside of the formal foster care program, and often with extremely limited resources. Relative caretaker programs provide information about family members' rights, support to meet children's education and health care needs, and assistance with obtaining health and social service benefits. For as little as $510 per child per year, these programs are far less costly than foster care placement.

Two issues facing New York and the nation make investment in these supports of critical importance this year: the rise in parental opioid use, and the new federal administration's pledge to dramatically increase deportations. As noted above, parental opioid abuse has led to a substantial increase in the number of children entering foster care, and being cared for by kin across the nation, and certainly in some counties in New York, although the data is incomplete.[19, 20]

Furthermore, the federal administration has pledged to dramatically increase deportations. This means that all of the children in the more than 200,000 New York families in which one or both parents is unauthorized are at risk of separation from their parents due to immigration detention or deportation.[21] Many children separated from parents due to parental detention or deportation will end up in the care of relatives or close family friends. And those who do not are likely to end up in foster care. In 2011, an estimated 5,000 children nationwide were placed in foster care because one or both of their parents had been deported.[22]

Providing kin caregivers information and supports might enable more of these children to remain safely with kin, and speed up reunification with parents, when that is possible and appropriate. Many of the children separated from parents due to immigration detention or deportation will be taken in by kin, who will, in turn, need kinship supports. These programs require secure, stable, and sufficient funding to support kin caregivers.

Schuyler Center requests that the Legislature restore funding for Kinship Caregiver programs to $2.3 million and increase funding for the Kinship Navigator Program to $600,500 to ensure that the Navigator is able to expand its reach and prepare for increased need for its services.

FUND POST-PERMANENCY SERVICES

The Executive Budget includes a $7 million investment, funding that comes from adoption assistance savings, for post-permanency (including adoption and guardianship) services. We applaud the Governor for this investment. The state's responsibility to children in foster care and families should not end if a child is adopted. Many children in foster care have significant emotional, mental and behavioral health issues due to childhood trauma, and therefore require additional services and supports. Adoptive parents who are unable to find the appropriate supports their child and family needs may be forced to dissolve their family and place their child in foster care, which hurts families and is more costly to the state.

Schuyler Center urges the Legislature to maintain $7 million for post-adoption services.

JUVENILE JUSTICE

FULLY FUND CLOSE TO HOME

Just as New York City is planning for Raise the Age implementation, which will cause an influx of 16 and 17-year-olds into their juvenile justice system, the Executive Budget proposes to reauthorize, but cut all State support for Close to Home, New York City's successful juvenile justice program that places youth in small, residential facilities with evidence-based programing near their homes, enabling more family engagement such that youth do better when they return home. Currently, the state provides $41.4 million annually to this program.

For the past five years, with State support for Close to Home facilities and State reimbursement for some alternatives to detention through the preventive services funding stream, New York City has successfully implemented a trauma-informed juvenile justice system, including evidence-based and evidence-informed models, family engagement, high-quality education, health and behavioral health services, and thorough aftercare support. Since implementation in 2012, New York City has seen juvenile arrests drop 52%, detentions drop 37% and placement admissions drop 77%.

Schuyler Center urges the Legislature to reject the proposal to completely defund Close to Home, restoring $41.4 million to the program.

RAISE THE JURISDICTIONAL AGE FOR JUVENILE JUSTICE TO AGE 18 AND RAISE THE LOWER AGE TO 12 FOR ALL CHILDREN

The successful implementation of legislation raising the age of juvenile jurisdiction depends upon counties' ability to pay for and deliver services. While the Executive Budget proposes to invest $100 million in Raise the Age, there is no clarity as to how the proposed $100 million investment would be distributed amongst the counties nor how it would be allocated for services such as detention, community-based services, transportation, training, etc.

Notably, it appears that New York City would not receive any of the $100 million included in the Executive Budget for Raise the Age implementation, despite repeated statements by the Executive that all counties would be reimbursed for Raise the Age expenses. The legislation requires counties to remain within the 2% property tax cap or prove financial hardship to be reimbursed for expenses.

Schuyler Center urges the Legislature to ensure that all counties, including New York City, have access to the funding necessary to successfully implement Raise the Age.

EARLY CARE AND LEARNING

It is widely recognized that the earliest years of a child's life are extremely important for health, development and learning that can last a lifetime. A strong early start is a major predictor of future success and is particularly important to mitigate disparities in health, education and other long-term outcomes.[23]

SUBSTANTIALLY INCREASE INVESTMENT IN CHILD CARE TO PROVIDE EQUITABLE ACCESS TO QUALITY CHILD CARE FOR MORE NEW YORK CHILDREN AND WORKING FAMILIES, AND A FAMILY SUSTAINING INCOME FOR THE CHILD CARE WORKFORCE.

For many New York families with young children, child care is their largest monthly bill. New York State ranks among the most expensive states for child care in the nation.[24] The average cost for full-time center-based care is $15,000 a year for an infant, and more than $13,000 for a toddler, preschooler or school-age child. The average cost for full-time care by a family-based provider for an infant is almost $11,000 a year, and just over $10,000 for older children. The shortage of child care subsidies and other supports to help families cover these costs causes significant economic hardship to working New York families. Studies show that lack of access to child care causes many parents – overwhelmingly women – to drop out of the workforce for longer periods of time, sharply reducing family income for the period the caregiver is out of the workforce, and lowering future earnings and retirement savings.[25] Child care expenses are also a leading contributor to family poverty.[26]

Even for middle-income families who can cover child care costs, many cannot find quality care in their communities. More than 61% of New Yorkers live in child care deserts, meaning that they live in a community with no child care, or so few providers that there are more than three children for every licensed child care slot. New Yorkers are more likely to live in child care deserts than in 20 of the 22 states studied. Living in a child care desert is associated with lower maternal employment – as much as 5% points lower among low-income mothers with children under 6.[27]

The shortage of quality, affordable child care not only causes New York families and children to suffer economic hardships, it also hurts New York's businesses and its economy. Indeed, the U.S. Chamber of Commerce Foundation recently issued a compelling report making the business case for expanding access to quality child care, and calling upon business leaders to champion investment.[28] The lack of access to affordable, quality child care causes businesses to suffer decreased productivity as a result of employee absenteeism and higher rates of turnover.[29] Companies in the United States lose over $3 billion annually as a consequence of child care related issues, predominately absences due to a lack of accessible child care.[30]

Child care as an industry can be an economic driver. In New York, industry revenue combined with spillover effects (additional spending in the community) has a $6.8 billion impact on the economy.[31] And, the industry is mostly composed of small, often women-owned, businesses. The economic impact of the industry would be even greater if more of the child care workforce was paid a living wage. Currently, nearly 60% of New York child care workers' families participate in some type of public assistance.

Given the myriad reasons for investing in child care, we were therefore disappointed that the Executive Budget proposes no funds to expand families' access to quality child care, including only $7 million to restore last year's cuts. This failure comes at a time when the vast majority of low-income working families receive no child care subsidies due to inadequate investment. The lack of investment stands in sharp contrast to the Executive Budget's proposed generous investments in economic development and threatens to undermine the state's efforts to bolster the economy. Access to quality child care reduces barriers to employment and improves the productivity and quality of the workforce in the short- and long-term. While we applaud the state's adoption of a law to convene a Child Care Availability Task Force and believe this Task Force can play a critical role in significantly expanding quality, affordable child care, New York children and families need new investment in child care this year to keep the doors open so that parents can keep working while their children are learning.

Finally, the Executive Budget includes only $15 million in new funds for Pre-K. Underinvestment in Pre-K has a ripple effect on child care because more than half of Pre-K services are offered in community-based settings. This strategy is effective in that it leverages existing resources, and better serves the State's working families who often need extended hours and year-round care. Many also serve infants and toddlers, creating the capacity to build a system of stable, continuous care and learning that experts say can most benefit young children. However, an under-investment in Pre-K can mean the closure of community child care providers, resulting in fewer child care providers. So, too, underinvestment in child care subsidies can have the same effect on Pre-K, making it harder for districts to find suitable settings for Pre-K programs. We urge robust investment in both child care and Pre-K to provide a continuum of quality care and learning for New York's children and families.

Schuyler Center is a founding member of the Empire State Campaign for Child Care and *Winning Beginning New York*, which together represent more than 75 organizations – advocates for children and families, child care providers, parents, faith and union leaders – from across the state, and are committed to achieving equitable access to quality child care for all New York children and working families that need it.

Schuyler Center, along with Empire State Campaign for Child Care and Winning Beginning New York, urge the Legislature to support an additional investment of $100 million in child care subsidy funding in the 2018-19 State Budget to restore subsidy slots lost due to last year's cuts and escalating costs, including covering the state's rising minimum wage, and to increase the number of children served. This investment can be drawn from several different areas of the budget and should be directed specifically to:

1. ***Increase State funding to counties for child care subsidies by $31 million in order to:***
    a. ***restore the child care subsidy program to the funding level established in 2016, adjusting for both the 2017 cut of $7 million and two years of inflation; and***
    b. ***assist counties that regularly exhaust their child care funding allocations before meeting the needs of all eligible families, to expand the number of qualified families served.***

2. ***Increase State funding further to stabilize the child care workforce and infrastructure, and to ensure equitable access to quality care. Specifically, the state should:***
   a. ***reinstate the 75th percentile formula to establish reimbursement rates expected to change in October 2018; and***
   b. ***allocate funds to assist child care centers and group family day care providers that receive child care subsidies to cover increased wage costs as the new minimum wage standard is implemented across the state.***
3. ***Direct a portion of Economic Development funding dollars to further reduce the number of qualified families who are currently denied subsidy assistance, and to stabilize the child care workforce.***
4. ***Increase State funding for the Child Care Facilitated Enrollment Projects in order to expand access to subsidies available to working families at higher income eligibility levels.***
5. ***Expand and adjust the child and dependent care tax credit for maximum benefit.***

EXPAND AND STRENGTHEN EVIDENCE-BASED MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING

Maternal, infant and early childhood home visiting is recognized in New York and across the nation as a uniquely effective approach to family strengthening, with myriad benefits to children and families' health, well-being and economic security. Home visiting has been proven to improve birth outcomes;[32] increase high school graduation rates for children who received home visiting services while young;[33] increase workforce participation and lower rates of welfare dependency;[34] and reduce instances of child maltreatment.[35, 36] And, home visiting has been proven a cost-effective intervention that yields tremendous savings over the lifetime of children in the form of lower health care costs and improved earnings as adults.[37]

Yet, New York State has for years failed to make a substantial investment in these programs. As a result, fewer than five percent of New York children ages 0 to 5 in families with income below poverty live in communities with access home visiting. We are pleased that the Executive Budget supports a recommendation from the First 1,000 Days on Medicaid initiative focused on universal access to home visiting in New York State. We urge the Legislature to support the recommendations of the First 1,000 Days workgroup, including its home visiting component.

Funding for home visiting has been more or less flat for several years. Funding for the Healthy Families NY (HFNY) program has been held at $23.3 million for the past nine years and the Executive Budget continues that funding level for another year. Continued flat funding has resulted in an erosion of services and staff reductions at home visiting programs that have either not been able to keep up with cost increases or have suffered because of funding instability.

The Executive Budget proposes $6 million for the Nurse-Family Partnership (NFP) program. While a significant portion of this funding is a reinvestment of old dollars, and not a new investment, we are encouraged by the support for this important program. NFP serves 11 counties across the state, including parts of New York City. It is a program that gets results: stronger, healthier moms; healthier kids; and long-term savings to localities and the state in health, social service and even criminal justice costs.

Because each program approaches home visitation with a specific focus and specific enrollment criteria, no one program can individually meet all the needs present in a community. Instead, the programs can and should work together to ensure that all families who need services have access to services most appropriate for each family.

In addition to HFNY and NFP, there are other successful home visiting models that support and strengthen families. The Executive Budget does not include funding for other evidence-based home visiting programs, such as Parents as Teachers, or for promising practice programs such as the Parent-Child Home Program. Both of these programs operate in New York but need State funding to expand existing services and eliminate waiting lists.

The Schuyler Center coordinates the statewide Home Visiting Workgroup, composed of child welfare, health and education advocates, and home visiting programs. This year the evidence-based home visiting models came together to develop a joint request for funding that would enable additional investments in proven home visiting programs. ***Schuyler Center urges the Legislature to increase State investment in home visiting to $30.3 million to maintain existing programs and expand services to more families.***

Specifically, to support home visiting programs and infrastructure, we request the following investments:

- ***Add $1 million to the Governor's proposed funding of Nurse-Family Partnership.***
- ***Increase the State investment in the Parent-Child Home Program by $2 million.***
- ***Add $2 million for Parents as Teachers to serve families on waiting lists at all current sites.***
- ***Maintain $23.3 million for Healthy Families New York.***
- ***Provide funding and support to strengthen home visiting systems, making services widely available to families and communities to meet their diverse needs and improve state outcomes related to child and family health and well-being.***

FAMILY ECONOMIC SECURITY

We mention the State's child tax credit in our Human Services testimony because families that receive tax relief that provides additional resources to invest in their children will rely less on State-funded human services.

CHILD TAX CREDIT

The Empire State Child Credit provides eligible taxpayers a refundable credit equal to 33% of the federal child tax credit or $100 per qualifying child, whichever is greater. While New York is a leader in the nation in offering a refundable child tax credit, the State credit contains a significant flaw: it excludes children under age four from eligibility – the very group that is most severely impacted by poverty, and would most benefit from receiving a credit. Strengthening the Empire State Child Credit by covering and bolstering the credit for young children would complement and build upon these efforts. Further, because the Empire State Child Credit is one of a very few supports available to the many hard-working mixed status immigrant families, it is particularly important for these families that their youngest children are covered.

The Governor's budget does not include an increase in or expansion of the Empire State Child Credit.

Schuyler Center urges the Legislature to fix the flaw in the Empire State Child Credit by including children under age four, and doubling the credit for these very young children.

NEW YORK AN OPPORTUNITY STATE

We urge the Legislature to place a special focus on programs designed to aid families in achieving economic security, providing children a strong early start, and reducing inequality and deprivation, by supporting the recommendations in this testimony as steps toward laying more stones of the path of opportunity for all of New York's families and children. Adequately funding these programs will not only enable more New Yorkers to achieve their potential and thrive, but will also yield significant cost savings down the road.

Thank you. We appreciate the opportunity to submit testimony and look forward to continuing to work with you to build a strong New York.

Kari Siddiqui
Senior Policy Analyst
Schuyler Center for Analysis and Advocacy
518-463-1896 x130 / KSiddiqui@scaany.org
www.scaany.org

---

[1] Kiersz, A. (2016, January 11). RANKED: The economies of all 50 US states and Washington, DC, from worst to best. Retrieved January 5, 2018, from http://www.businessinsider.com/state-economy-ranking-q4-2015-2016-1

[2] New York Department of Labor. (2017, December 21). New York State Economy Adds 26,000 Private Sector Jobs, Unemployment Rate Falls to 4.7% in November 2017. Retrieved January 5, 2018, from https://labor.ny.gov/stats/pressreleases/pruistat.shtm

[3] Office of the New York State Comptroller. (2017, March 15). Wall Street Profits Up in 2016 Bonuses Slightly Higher Than in 2015. Retrieved January 5, 2018, from http://www.osc.state.ny.us/press/releases/mar17/031517.htm

[4] Wealth-X. (2015). California Tops Wealth-X Ranking Of US States With Largest UHNW Population - Wealth-X Report. Retrieved from https://www.wealthx.com/report/california-tops-wealth-x-ranking-of-us-states-with-largest-uhnw-population/

[5] Kids Count Data Center: A Project of The Annie E. Casey Foundation. (2016). Children in poverty (100 percent poverty). Retrieved January 5, 2018, from http://datacenter.kidscount.org/data/Tables/43-children-in-poverty

[6] Institute for Children, Poverty, and Homelessness. (2016, November). New York Has the 3rd Highest Percentage of Homeless Students in the U.S. Retrieved January 5, 2018, from http://www.icphusa.org/national/new-york/

[7] Kids Count Data Center: A Project of The Annie E. Casey Foundation. (2017). Economic Well-Being Rank. Retrieved January 5, 2018, from http://datacenter.kidscount.org/data/Tables/7246-economic-rank
(In 2017, New York was ranked 41st in the nation for child economic well-being is measure by considering: percent of children in poverty; percent of children whose parents lack secure employment (no full-time, year-round work); percent of children in households with a high housing cost burden; percent of teens not in school and not working (ages 16-19). See- http://www.aecf.org/m/resourcedoc/AECF-KIDSCOUNTIndex-2012.pdf)

[8] The Schuyler Center for Analysis and Advocacy. (2016). Federal Analysis Shows that New York State is Failing to Keep Children Safe or to Find Permanent Homes for Children in Foster Care within a Reasonable Time. The Schuyler Center for Analysis and Advocacy. Retrieved from http://www.scaany.org/wp-content/uploads/2016/08/NYS-Child-Welfare-Data-Child-Family-Services-Review.pdf

[9] Corso, C. (2010). Dollars and Lives: The Economics of Healthy Children. *Prevent Child Abuse America*. http://www.preventchildabuse.org/images/docs/corso_wht_ppr.pdf
More resources are available:
https://www.childwelfare.gov/topics/preventing/developing/economic/cost-benefit/

[10] See "New Directions in Child Abuse and Neglect Research," Report of the Institute of Medicine (2013), available at: http://iom.nationalacademies.org/reports/2013/new-directions-in-child-abuse-and-neglect-research.aspx

[11] *Administration for Children and Families*. (2016, Oct. 27). Number of children in foster care increases for the third consecutive year. Retrieved:

[12] Wiltz, Teresa. (2016, Nov. 2). Opioid epidemic puts more children in grandparents' care. *Pittsburg Post-Gazette*.

[13] From "Keeping Foster Youth off the Streets: Improving Housing Outcomes for Youth that Age Out of Care in New York City." January 2014. Federation of Protestant Welfare Agencies.

[14] Zumper National Rent Report: August 2015. https://www.zumper.com/blog/2015/08/zumper-national-rent-report-august-2015/

[15] US Census Bureau, 2010-2014 American Community Survey 5-year Estimates. "Selected Housing Characteristics." http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF

[16] This is true of all young adults. See National Center for Education Statistics: http://nces.ed.gov/fastfacts/display.asp?id=77

[17] *New York State Kinship Navigator*. NYS KinCare Summit 2014 Recommendations. www.nysnavigator.org/pg/professionals/documents/2014KincareSummitOctober232014Final.pdf

[18] *New York State Office of Children and Family Services*. (2016). Admissions to Foster Care By Initials Placement Setting 2012-2015.

[19] *Administration for Children and Families*. (2016, Oct. 27). Number of children in foster care increases for the third consecutive year.

[20] Wiltz, Teresa. (2016, Nov. 2). Opioid epidemic puts more children in grandparents' care. *Pittsburg Post-Gazette*.

[21] *Migration Policy Institute*. Profile of the Unauthorized Population: New York. Retrieved: www.migrationpolicy.org/data/unauthorized-immigrant-population/state/NY

[22] Covarrubias, N. and A. Hartman. (2015, May). Information Packet: Deportation and Child Welfare in Mixed Status Families with Unauthorized Parents and Citizen Children. *National Center for Child Welfare Excellence at the Silberman School of Social Work*. Retrieved: http://nccwe.org/downloads/info-packs/HartmanCovarrubias.pdf

[23] Helen F. Ladd, "Education and poverty: Confronting the Evidence," *Journal of Policy Analysis and Management,* Vol. 31, No. 2, 1-25 (2012).

[24] *Child Care Aware of America*. (2017). Parents and the High Cost of Child Care. https://usa.childcareaware.org/wp-content/uploads/2017/12/2017_CCA_High_Cost_Appendices_FINAL.pdf

[25] Doerer, K. (2016, June 21) "How much does it cost to leave the workforce to care for a child? A lot more than you think." *PBS News Hour*. http://www.pbs.org/newshour/making-sense/how-much-does-it-cost-to-leave-the-workforce-to-care-for-a-child-a-lot-more-than-you-think/

[26] Mattingly, M. J. and C. T. Wimer. (Spring 2017). Child Care Expenses Push Many Families Into Poverty. Carsey Research, National Fact Sheet #36. *University of New Hampshire, Carsey School of Public Policy*. http://scholars.unh.edu/cgi/viewcontent.cgi?article=1303&context=carsey

[27] Malick, Rasheed, Hann, Katie (2017, August). Mapping America's Child Care Deserts. *Center for American Progress*. https://www.americanprogress.org/issues/early-childhood/reports/2017/08/30/437988/mapping-americas-child-care-deserts/

[28] Stevens, K.B. (2017, Jun.). Workforce of Today, Workforce of Tomorrow: The Business Case for High-Quality Childcare. *U.S. Chamber of Commerce Foundation Center for Education and Workforce*.

https://www.uschamberfoundation.org/sites/default/files/Workforce%20of%20Today%20Workforce%20of%20Tomorrow%20Report_0.pdf
[29] Elswick, J. (2003, Jun. 15). More Employers Offer Back-Up Care. *Employee Benefit News*. http://www.accessmylibrary.com/coms2/summary_0286-23549740_ITM
[30] Elswick, J. (2003, Jun. 15). More Employers Offer Back-Up Care. *Employee Benefit News*. http://www.accessmylibrary.com/coms2/summary_0286-23549740_ITM
[31] Committee for Economic Development, Child Care in State Economies. (2015)
[32] Percentage refers to Healthy Families NY. See: Lee et al. (2009). Reducing low birth weight through home visitation: a randomized controlled trial; *American Journal of Preventive Medicine*.
[33] Multiple programs impact child development and school readiness, see: *Home Visiting Evidence of Effectiveness: Child Development and School Readiness.* http://homvee.acf.hhs.gov/Outcome/2/Child-Development-and-School-Readiness/3/1
[34] Refers to multiple programs. See: Administration for Children & Families. *Home Visiting Evidence of Effectiveness*. http://homvee.acf.hhs.gov/Outcome/2/Family-Economic-Self-Sufficiency/7/1
[35] Reanalysis of Kitzman et al; *Journal of the American Medical Association*.
[36] Dumont, et al. (2010). *Final Report: A Randomized Trial of Healthy Families New York: Does Home Visiting Prevent Child Maltreatment*.
[37] Burwick, Andrew, Heather Zaveri, Lisa Shang, Kimberly Boller, Deborah Daro, Debra A. Strong. (2014). *Costs of Early Childhood Home Visiting: An Analysis of Programs Implemented in the Supporting Evidence-Based Home Visiting to Prevent Child Maltreatment Initiative. Final Report. Mathematica Policy Research*. Retrieved from: http://www.mathematica-mpr.com/~/media/publications/PDFs/earlychildhood/EBHV_costs.pdf