



45 Broadway, 22nd Floor, New York, NY 10006

212-967-0322 | www.unhny.org

**Testimony of United Neighborhood Houses
Before the New York City Council Committee on Finance
Council Member Justin Brannan, Chair**

Oversight - The Executive Budget for FY 2023

**Submitted by Nora Moran
Wednesday, May 25, 2022**

Thank you Chair Brannan and members of the New York City Council Committee on Finance for the opportunity to testify. United Neighborhood Houses is a policy and social change organization representing 45 neighborhood settlement houses, 40 in New York City, that reach 765,000 New Yorkers from all walks of life.

A progressive leader for more than 100 years, UNH is stewarding a new era for New York's settlement house movement. We mobilize our members and their communities to advocate for good public policies and promote strong organizations and practices that keep neighborhoods resilient and thriving for all New Yorkers. UNH leads advocacy and partners with our members on a broad range of issues including civic and community engagement, neighborhood affordability, healthy aging, early childhood education, adult literacy, and youth development. We also provide customized professional development and peer learning to build the skills and leadership capabilities of settlement house staff at all levels.

The FY23 Executive Budget Proposal

The last two years have proven extremely challenging for all New Yorkers and have taken a tremendous toll on the human services sector. The COVID-19 pandemic has ravaged our economy and safety net while underscoring the significant racial and economic disparities that have impacted New York City's neighborhoods for decades. Settlement houses have been on the frontlines of the City's pandemic response, just as they have done through other crises our City has faced throughout history. Settlement house workers have continued to deliver essential services to New Yorkers, providing emergency food, counseling, shelter, youth and family supports, and more—even while the majority of New Yorkers sheltered in place at home. Given their century of experience, settlement houses will be key partners as the City works to recover and build a more inclusive economy. With the FY 2023 budget, this historic Council has an opportunity to work with the new administration to ensure that the needs of New York's residents most impacted by the pandemic are prioritized in budget negotiations. Budgets are more than numbers, they are the surest indicator of the City's priorities. Settlement house workers and the Black and brown, low-income communities they work alongside must be prioritized in this budget

if we are to achieve Mayor Adams' commitment to "making decisions that invest in our city and benefit all New Yorkers."

Mayor Adams' Preliminary and Executive Budget Proposals already contain several important investments for New Yorkers. UNH celebrates the City's early commitment to fund 100,000 summer jobs for teens and young adults. As the coordinator for the Campaign for Universal Summer Jobs, UNH has fought for expanded access to the Summer Youth Employment Program (SYEP) for the past three decades. This historic expansion, announced in the preliminary budget and funded with baselined dollars, will help providers and the Department of Youth and Community Development (DYCD) plan for and execute high-quality programming for a record number of young people.

UNH also supports the inclusion of additional funds for the Department for the Aging (DFTA) home delivered meals program, including both a rate increase in the Preliminary Budget and funds to begin to address the end of the Recovery Meals (formerly GetFood) program in the Executive Budget. These funds—which will help expand access while also ensuring that reimbursements to providers more closely reflect true costs—will help to ensure that older New Yorkers continue to receive the meals that so many have come to rely on during tumultuous times. UNH has advocated for increased rates for this program for the last several years as inflation, rising food costs, and staffing challenges have made these programs more and more difficult for nonprofit providers to run, all while the pandemic and stay-at-home orders made the service more and more essential.

As the membership organization for New York's settlement houses, we also support the Mayor's emphasis on programs to support low-income New York parents. Expansions to the Earned Income Tax Credit (EITC) will be helpful to working parents who are struggling to make ends meet. With the end of the federal Child Tax Credit, it is crucial that New York City take steps like these to promote financial security for very low income families.

Finally, UNH wants to recognize the Mayor's implicit acknowledgement of the importance of stable, baselined funding. For each of his major policy proposals announced upon the release of the preliminary budget, he included a commitment to stable funding not only in FY23, but in the outyears as well. This kind of leadership will help nonprofit partners and contractors plan for the long term, improving the quality of services they are able to provide.

Unfortunately, the Executive Budget Proposal also fails to include several key investments that will be essential to an equitable and just recovery, including funding for Cost of Living Adjustments (COLAs) for the human services workforce, additional investments in year-round youth workforce programming, and key mental health supports among others. UNH was grateful to see many of these priorities included in the Council's budget responses as well as Speaker Adams' State of the City address. Below are UNH's specific recommendations in the areas of early childhood education, youth services, adult literacy and service for immigrant New Yorkers, mental and behavioral health services, services for older New Yorkers, and much-needed contracting reforms and investments for the human services workforce.

Fund a Cost of Living Adjustment and Raises for Human Service Workers

UNH was disappointed to see that the Mayor's proposals failed to offer any meaningful investments in the human services workforce that has been on the frontlines of the pandemic. Last year, UNH and our partners had advocated for \$48 million in the adopted budget to pay for Cost of Living Adjustments (COLAs) for human service workers. Instead, we received \$24 million to pay for one-time bonuses. These essential workers deserve better, and UNH supports the #JustPay campaign's three-pronged ask for investments for the human services workforce that includes: 1) Automatic COLAs for all human services contracts to help wages keep pace with inflation; 2) a living wage floor for human services workers of no less than \$21 per hour; and 3) the creation and funding of a comprehensive wage and benefit schedule that is compatible to similarly-qualified City and State government employees.

Human service workers were there for the City when we needed them most, and the City should be there for them now. Low wages for human service positions have contributed to a staffing crisis, and without increased budgets for City contracts to cover wage increases, nonprofits will be unable to recruit and train the next generation of human service workers, setting future New Yorkers up for significant barriers to accessing services. **We urge the Council to emphasize the needs of the human service workforce in budget negotiations.**

Additional Budget Priorities

UNH supports the following asks:

- **Summer Rising:** DYCD and DOE have announced plans to operate Summer Rising again for Summer 2022, but reimbursement rates are not adequate for CBOs to run high quality programming. Workforce shortages, often tied to low wages in contracts, have been a challenge this school year and will only continue this summer without intervention. Additionally, inflation has driven up summer program costs. UNH urges the City to increase the cost-per-participant rates to \$1848 for elementary school programming and \$1410 for middle school programming, and to make these rates available to *all* summer programming, not just ones in DOE school buildings. The City must also address the current Department of Health & Mental Hygiene clearance backlog affecting child care and youth service staff by adding targeted resources and staff to expedite the clearance process.
- **Adult Literacy:** Adult Literacy is an essential component of an equitable economic recovery for a City that celebrates diversity. The FY23 budget must baseline an additional \$13.5 million for DYCD-contracted adult literacy programs — over and above the \$8 million that was baselined in FY22 — to ensure 15,000 students can continue their literacy education uninterrupted, and to double the rates and serve additional students in the forthcoming contract procurement. Additionally, the City Council should (1) renew \$4 million in discretionary funding for the Adult Literacy Initiative; and (2) expand the Adult Literacy Pilot Program to \$5 million — up from \$2.5 million in FY22 — to adequately resource high-quality adult literacy programs, including staff and personnel costs; student case management; digital technology; program space; and organizational management systems and support. This expansion would double the pilot to fund 40 programs across the city.
- **Youth Workforce Development:** UNH affirms the Council's commitment to expanding youth workforce development programming beyond the initial investment in the Summer Youth

Employment Program (SYEP). Year-round programming not only benefits young people, but it also stabilizes the system by maintaining key staff and ensuring year-round contact with employer partners. UNH supports the Council's call to expand Work Learn Grow (WLG), the school-year complement program to SYEP. At a bare minimum, WLG must be funded at pre-pandemic levels in the final budget, and those funds should be baselined so that providers can count on them year-after-year as both systems grow to accommodate the tremendous demand and need.

- **Early Childhood Education:** State investment gives New York City a unique chance to expand its current child care system to better meet the needs of children and families. The current system does not meet the demand for infant and toddler care. Any expansions must prioritize aging down the system to serve greater numbers of infants and toddlers in both family child care and center based programs. These services must provide full-day, year round care. Furthermore, Pre-K for All and 3-K for All only offer programming from 8 am - 3 pm from September through June. Working families need a full day and full year of child care. Expansion should also prioritize converting Pre-K and 3-K seats to be full-day, full-year seats so that these families have the additional hours of care. Additionally, it is particularly important to plan for stable streaming funds for 3-K for All programs that have been expanded and funded through FY24 thanks to Federal Stimulus dollars.
 - **Salary Parity:** The early childhood education workforce has long been underpaid for the crucial work that they do. In 2019, New York City took important steps to rectify glaring salary disparities between teachers working at community-based organizations and those working at DOE programs. However, we are reaching the end of that 2019 parity agreement, and there are still other staff in early childhood programs who have not seen any type of pay parity agreement. It is important for the City to address this to retain current staff and also hire new staff to cover a system expansion. Specifically, the City must: **Invest \$21 million for program directors'** salary increases. Directors of child care programs are working under expired contracts, and raising these salaries to ones on par with their DOE administrative counterparts will help both compensate them fairly and prevent the further resignation of CBO staff; **Invest \$30 million in pay parity for special education pre-k teachers.** Teachers working in 4410 programs were not included in the 2019 salary parity agreement, and earn much lower wages than their DOE counterparts and than center-based teachers in other classrooms; **Raise the minimum wage of support staff** - to at least \$21 per hour, in line with the demands of the #JustPay campaign. Support staff in early childhood education programs - including aides, paraprofessionals, custodians, and cooks – help to keep centers running, but receive some of the lowest salaries in the system. Boosting their wages will help retain these workers, and also keep this workforce in the early childhood system so that they maintain continuity of care for the children and families they serve; and **fund longevity increases** for all teachers, staff and directors.
- **Mental Health:** The FY23 budget should continue to support the recently-expanded Geriatric Mental Health Initiative and other Council Mental Health initiatives including Children Under Five and Autism Awareness. These initiatives provide crucial funding to nonprofit providers to offer mental health services in non-clinical community settings, including community centers, senior centers, and early childhood programs. The City should also expand the DFTA Geriatric Mental Health program with an \$8.7 million investment to add 20 new sites and increase clinician hours at existing sites. Finally, the

City should invest \$28.5 million in school-based mental health clinics to add 100 new sites and bolster services at existing sites.

- **Home Delivered Meals:** As mentioned earlier, the FY23 Preliminary Budget includes a long-needed reimbursement rate increase for the home delivered meals program for older adults (HDM), bringing rates from \$9.58 to \$11.78 per meal, to meet true costs and match the 2015 national average cost of a home delivered meal. However, there are enormous strains on the system and steeply rising costs. An additional \$12.7 million is needed to meet demand this year, which includes \$3 million to support weekend and holiday meals. In addition, The City must plan for the end of the GetFood emergency feeding program (now DFTA Recovery Meals) at the end of June. The Executive Budget included \$14.8 million to be split between HDM (\$8.8 million) and the Case Management program (\$6 million) that screens older adults for eligibility and is also facing capacity strains. Given the enormous need, we echo the Council's proposal of \$30 million for the Recovery Meals transition, for a total HDM program ask of \$42.7 million. Further, the City urgently must invest in capital needs for the system, especially vans..
- **NORCs:** As long-standing supporters of Naturally Occurring Retirement Communities (NORCs), the Council plays a key role in supporting this system. This year, we call on the Council to restore its NORC Council Initiative at close to \$6.4 million. For the portion of these funds that cover nursing services, about \$2.1 million, the Council should reflect the rising hourly rate of nurses from the provider, VNS, from \$85 to \$95 per hour. This brings the nursing funding need to \$2.265 million this year. The full Initiative should also be restored to support existing recipients, including State-contracted Neighborhood NORCs which do not have City contracts. While a few Council-funded NORCs received new DFTA contracts this year, we hope the Council will continue to support the ongoing development of new NORCs with this initiative.
- **Our City Our Vote Implementation:** Introduction 1867 enfranchised thousands of New Yorkers with legal permanent resident (LPR) status and work authorizations to vote in municipal elections. The City must make sure that this legislation, now Local Law 11 of 2022, is implemented quickly and carefully, with adequate outreach and education efforts targeted at newly enfranchised New Yorkers. This includes:
 - \$25 million City Council Initiative to support CBO outreach efforts;
 - \$25 million increase to the Board of Elections budget;
 - 10% increase to the budgets of the Civic Engagement Commission, the Campaign Finance Board, and the Mayor's Office of Immigrant Affairs; and
 - 5% increase to implementing agencies including the Department of Youth and Community Development.

Carefully Evaluate Positions Targeted by Program to Eliminate the Gap (PEG)

Though the City is facing an uncertain financial future with mixed signals coming from the market and geo-political challenges, this is not the time to divest from the safety net programs that support neighborhoods. The Program to Eliminate the Gap (PEG) has sought to identify efficiencies without interrupting services while also avoiding layoffs of municipal employees. UNH and our members are grateful that the Administration has avoided significant cuts to human service programs and layoffs to municipal workers. Still, we encourage the administration and the Council to be extremely thoughtful when eliminating vacant positions, as there could be longer-term ramifications to programs should certain positions be eliminated.

Providers rely on their relationships with program/contract managers, and technical assistance/support from certain government positions, and just because a position is vacant today does not mean that the role is inconsequential. Now is the time for cautious, thoughtful planning, not broad-strokes that look impactful in budget documents.

Thank you for the opportunity to testify today. UNH looks forward to joining future hearings to dive into more details on the wide variety of programs settlement houses run and our recommendations for those programs. In the meantime, I can be reached to provide more details on any of the above at nmoran@unhny.org.