



Testimony of

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Before the
New York City Council
Finance and Youth Services Committees

Regarding the New York City
Preliminary Plan Budget Proposals for FY10

March 10, 2009

My name is Ailin Chen and I am the Senior Policy Associate for Education, Juvenile Justice, and Youth Services at Citizens' Committee for Children of New York (CCC). CCC is a 65- year old privately supported, independent, multi-issue child advocacy organization. CCC does not accept or receive public resources nor do we provide direct service or represent a sector or workforce; rather for 65 years we have undertaken public policy research, community education and advocacy activities to draw attention to what is or is not for working for children in New York and to advance budget, legislative, and policy priorities—all with the goal of ensuring that children are healthy, housed, educated and safe. I would like to thank Chairman Weprin and the members of the Council Finance Committee and Chairman Fidler and members of the Youth Services Committee for this opportunity to testify on the Mayor's Preliminary Plan for City Fiscal Year 2010.

While we appreciate the severity of the budget crisis, Mayor Bloomberg's Preliminary Plan for CFY10 does not go far enough to protect New York City's children from shouldering a disproportionate burden of the economic downturn. During economic downturns, like the unprecedented one we are in the midst of, it is more important than ever that the core services for children and families be protected and supported. Yet the Mayor's Preliminary Budget proposes \$231 million in reductions to services for children and families on top of \$12.4 million in reductions approved in the November Plan, which go into effect in FY10. Such reductions are in addition to the loss of \$72 million in city funds at budget adoption in June 2008 and the loss of \$4.9 million in city funds in November 2008 for children and family services in the current year that are not restored for next year.

We are especially concerned about the impact the Preliminary Plan would have on the Administration for Children's Services (ACS). ACS is the emergency responder for children in this city, and for many families in need ACS is a place to turn when other city services are no longer available. As such, we believe that ACS should have been held to the same standard as the Police Department and Fire Department (as well as the Corrections and Sanitation Departments which also received lower PEG targets.) While the proposed budget protects core child protective and child abuse prevention services, ACS received troubling reductions that may well impede the agency's ability to ensure that children are safe either in their homes or in foster care. These proposed reductions include 608 staff layoffs (with a staffing reduction of almost 1000 with attrition), the reorganization of the Family Preservation Program, a 5% reduction in administrative payments to foster care agencies and a 10% reduction to foster parent supports.

In addition, it is more important than ever that the agencies that protect the health and well-being of struggling New Yorkers have the resources to help and support families. Proposed budget cuts reduced needed services-- after school programs, children's dental clinics, school based health services and summer youth employment programs. Furthermore, the severe budget shortfall in ACS's child care program must be addressed so that low income parents can remain in the workforce. We ask that the Council negotiate a budget with the Mayor that protects services for children and families that are cost-effective, preventing more costly interventions in the long-term.

A balanced approach to weathering this economic storm is essential - as it would be impossible to cut our way out of the city's budget deficit. We believe that progressive tax increases must be implemented, as they were after the September 11th attacks. As such, we support Council Speaker Quinn's proposal to increase income taxes for the

city's highest earners making over \$250,000 and we oppose the Mayor's proposal to implement a city sales tax on shoes and clothes under \$110. We think the Speaker's proposal could go further by using a portion of the revenue raised to protect essential services for children and families. In December 2008, CCC commissioned a poll that found that 73% of New York voters supported raising income taxes for those earning over \$250,000 over reductions in government services.

In addition to measures the City can take to raise revenue to protect core children's services in the short and long term, we are thankful for the Federal Stimulus Package and the work of the Mayor's office (and other city elected and appointed officials) to secure this temporary funding for the City. We urge the City Council to work with the Mayor's office to ensure this funding is used to not only close budget gaps, but to restore the highest priority proposed PEGS and expand programs that help the children and families suffering due to the troubled economy. CCC is committed to advocating that the City receives a fair share of federal stimulus money from the state, particularly for education, child care, Head Start, foster care and youth service programming.

We understand that budget reductions will be made so as you work with the Mayor and fellow Council members on budget reductions, we urge you to be strategic and deliberate, and to avoid across the board reductions. Funding for cost-effective programs and services that prevent child abuse, keep children safe, ensure children are housed, fed and clothed, and funding that goes directly to classrooms must be preserved.

With regard to the specific proposals outlined in the Mayor's January Financial Plan for FY10, CCC supports the City's commitment to fund CEO Youth Programs including service learning, young adult internship, and young adult literacy programs with an investment of \$14 million.

However, CCC urges the Council to work with the Mayor to restore the following cuts to core youth service and eliminate policy proposals that will be harmful to the City's youth services infrastructure and to youth. We are hopeful that the federal economic stimulus funds can be used to offset reductions. In this economic recession, we need **greater** not fewer normative supports during the out-of-school time hours- programs that provide critical social, emotional, and academic support and that keep kids safe, engaged, and out-of-trouble.

- Out-Of-School Time Services- CCC is concerned with a number of budget actions proposed in the CFY10 Preliminary Plan that will negatively impact OST services for youth. The demand for OST services still far exceeds the current supply and to reduce critical public funding for OST services is detrimental to the system overall. Specific proposals of concern include:
 - The elimination of \$2.86 million for summer OST services.
 - The elimination of 2395 under-utilized OST slots for a total of \$ 2.1 million in FY10.
 - The elimination of OST Option II which serves 10,750 youth for a minimum of 160 hours a year. Instead, CCC recommends that the City lowers the private match requirement to make it easier for providers to

access this funding option and to explore opportunities to increase the take-up rate.

- A proposal to increase the low performance penalty percentage for poor performing OST providers from 10% to a maximum of 20%. Oftentimes, providers have difficulty fulfilling service targets because they are a new provider in an under-resourced community or may be experimenting with new program models in order to serve special needs populations. CCC recommends that the City provide struggling providers with technical assistance in order to help them better fulfill contract requirements.
- Summer Youth Employment Program (SYEP)- The CFY10 Preliminary Plan proposes a number of budget actions to SYEP which will harm the City's ability to maintain its capacity to provide youth with important first work experiences and valuable income particularly for low income families during these difficult economic times:
 - Elimination of funding for 1,450 City-funded SYEP slots beginning summer 2009.
 - A reduction in the SYEP workweek which would eliminate 7 hours or 1 working day from the 7 week program.

SYEP dollars generate much-needed tax levy as youth and their families use their wages to purchase goods and services in their local neighborhoods. CCC recommends that a portion of the \$35 million from the federal economic stimulus package that has been set aside for youth employment and training be used to restore and expand SYEP slots.

- City Council Initiatives- The CFY10 Preliminary Plan proposes to cut a range of core youth programs that the Council has traditionally championed on behalf of New York City's children and youth who have come to rely on these resources to keep them safe, engaged, and out of trouble. These include cuts to programs such as the Cultural After School Adventure (\$5.5 million), Shelter Beds for At-Risk Runaway and Homeless LGBT Youth (\$1.7 million), Street Outreach/Neighborhood Youth Alliance (\$1 million), and The After-Three Program (\$3.8 million). Similarly, CCC urges the Council restore \$3 million in school opening fees for Beacons.

In conclusion, we understand that these very difficult times require difficult decisions on both sides of the budget ledger – revenue and expense. New York' City's budget deficit demands a thoughtful response that includes progressive tax increases and government spending reductions that do not impact core services for children and families. It is critical that the actions the City Council takes with the Mayor protect the city's ability to ensure that our children remain healthy, housed, educated and safe.

Thank you for this opportunity to testify.



**Fiscal Year 2010 Preliminary Budget for New York City
Proposes \$231 Million in Reductions to Services for Children and Families**

CHILD WELFARE

<i>Program</i>	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>Elimination of 293 administrative and child care staff</i>		<i>\$7.6 million</i>	
<i>Elimination of 315 child welfare personnel</i>		<i>\$8.2 million</i>	
<i>Reorganization of Family Preservation Program/saving 234 staff</i>		<i>\$7.3 million</i>	
<i>5% Reduction to Foster Boarding Home Administrative Rate for Foster Care Providers</i>		<i>\$5.7 million</i>	
<i>Community Partnership Initiative not to be expanded (remain at 11 instead of 15)</i>		<i>\$930,000</i>	
<i>Reduce Agency Support contracts (suspend MSW program, eliminate media campaigns, etc.)</i>		<i>\$1.8 million</i>	
<i>Foster Parent Support-10% reduction to providers that have not met performance goals</i>		<i>\$909,000</i>	
<i>Eliminate Facility Maintenance Expense (turn over facility to private provider)</i>		<i>\$218,000</i>	
<i>CEO: Individual Development Accounts for Foster Youth</i>	<i>\$206,000</i>		
<i>Child Safety Initiative: Preventive Services Caseload Reduction</i>			<i>\$3.7 million</i>
<i>Child Advocacy Centers</i>			<i>\$500,000</i>
<i>Family Justice Centers</i>			<i>\$200,000</i>
<i>CONNECT Domestic Violence program</i>			<i>\$600,000</i>
<i>Sub-Total</i>	<i>\$206,000</i>	<i>\$32.7 million</i>	<i>\$5.0 million</i>

EARLY CARE/CHILD CARE

Program	Proposed Expenditure Increase FY'10	Proposed Expenditure Decrease FY'10	Failure to Fund Council Initiatives
<i>Priority 7 child care slots</i>		<i>\$7.1 million</i>	
<i>Provider's Choice-Family Child Care Supplies</i>			<i>\$1.2 million</i>
<i>Working Parents for a Working New York</i>			<i>\$300,000</i>
<i>CEO: Early Childhood Policy and Planning</i>		<i>\$58,000</i>	
Sub-Total		<i>\$7.2 million</i>	<i>\$1.5 million</i>

EDUCATION

Program	Proposed Expenditure Increase FY'10	Proposed Expenditure Decrease FY'10	Failure to Fund Council Initiatives
<i>Reduce 1,440 Pedagogical Employees in Schools</i>		<i>\$91.2 million</i>	
<i>Estimated Headcount Reduction from State Cut - 13,930 positions</i>		<i>Only if state cut is implemented</i>	
<i>CEO: Early Childhood Policy and Planning</i>		<i>\$72,000</i>	
<i>Universal Pre-kindergarten (full day in ACS programs)</i>			<i>\$2.6 million</i>
<i>Teacher's Choice</i>			<i>\$13 million</i>
<i>Dropout Prevention and Intervention</i>			<i>\$2 million</i>
<i>Urban Advantage</i>			<i>\$500,000</i>
Sub-Total		<i>\$91.3 million</i>	<i>\$18.1 million</i>

HEALTH SERVICES

<i>Program</i>	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>CEO: Expand Access to Healthy Foods</i>	<i>\$182,000</i>		
<i>CEO: School Based Health and Reproductive Health Centers</i>	<i>\$1.4 million</i>		
<i>Child Health Clinics</i>		<i>\$960,000</i>	
<i>Diagnostic & Treatment Center Funding</i>		<i>\$473,000</i>	
<i>Primary Care Capacity Initiative</i>		<i>\$2.7 million</i>	
<i>Supplemental School Health Services</i>		<i>\$754,000</i>	
<i>Infant Mortality Initiative</i>			<i>\$3.5 million</i>
<i>Obesity Prevention Initiatives</i>			<i>\$3.0 million</i>
<i>Podiatric Screening</i>			<i>\$500,000</i>
<i>Asthma Control Initiative</i>			<i>\$545,000</i>
<i>Sub-Total</i>	<i>\$1.6 million</i>	<i>\$4.9 million</i>	<i>\$7.5 million</i>

HOMELESS SERVICES

<i>Program</i>	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>HomeBase Homelessness Prevention Program</i>		<i>\$5.1 million</i>	
<i>Eliminate Recreation Staff from Shelter Contracts</i>		<i>\$2.4 million</i>	
<i>Elimination of direct social service staff in commercial hotels housing homeless families</i>		<i>\$1.1 million</i>	
<i>Rate reduction to Family Hotels</i>		<i>\$575,000</i>	
<i>Eliminate Homecare Kits for Families</i>		<i>\$354,000</i>	
<i>Eliminate Clothing Bank Contract</i>		<i>\$221,000</i>	
<i>Citywide Homeless Prevention Fund</i>			<i>\$250,000</i>
<i>Sub-Total</i>		<i>\$9.7 million</i>	<i>\$250,000</i>

HOUSING

<i>Program</i>	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>City-Task Force on Housing Court</i>			<i>\$500,000</i>
<i>Community Based Consultants</i>			<i>\$830,000</i>
<i>CEO: Family Self-Sufficiency Program</i>		<i>\$2.1 million</i>	
<i>Sub-Total</i>		<i>\$2.1 million</i>	<i>\$1.3 million</i>

JUVENILE JUSTICE

<i>Program</i>	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>Discharge Planning/In-Detention Services</i>			<i>\$640,000</i>

<i>Sub-Total</i>			<i>\$640,000</i>
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LEGAL SERVICES

PROGRAM	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
Citywide City Legal Services			\$1.5 million
Legal Information for Families Today (LIFT)			\$500,000
Legal Services for Working Poor			\$1.0 million
Legal Services NYC- Keeping Families Together			\$300,000
MFY Legal Services			\$100,000
SSI-UI Advocacy Program			\$1.3 million
Anti-Eviction Legal Services			\$2.3 million
Sub-Total			\$7.0 million

MENTAL HEALTH SERVICES

<i>Program</i>	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>Mental Hygiene – Community Based and other Non-HHC providers</i>		<i>\$1.1 million</i>	
<i>HHC Mental Hygiene Services</i>		<i>\$869,000</i>	
<i>Mental Health Treatment for Children Under Five</i>			<i>\$1.6 million</i>
<i>Autism Awareness Initiative</i>			<i>\$1.6 million</i>
Sub-Total		<i>\$2.0 million</i>	<i>\$3.2 million</i>

SOCIAL SERVICES

<i>Program</i>	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>Nutrition for Adults and Families Living with HIV/AIDS</i>		<i>\$491,000</i>	
<i>Food Stamps at Farmer's Markets</i>			<i>\$270,000</i>
<i>Emergency Food Programs</i>			<i>\$2.1 million</i>
<i>CEO: Employment Services for Non-Custodial Parents</i>		<i>\$380,000</i>	
<i>CEO: Enhanced Employment Services</i>		<i>\$111,000</i>	
<i>Sub-Total</i>		<i>\$980,000</i>	<i>\$2.3 million</i>

YOUTH AND COMMUNITY DEVELOPMENT

<i>Program</i>	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>Reduction in SYEP summer jobs slots</i>		<i>\$2.0 million</i>	
<i>Consolidate OST Middle Schools into Beacons Program</i>		<i>\$149,000</i>	
<i>Elimination of OST Option II</i>		<i>\$6.0 million</i>	
<i>Reduction in OST Summer Program</i>		<i>\$2.86 million</i>	
<i>Increase in OST Low Performance Penalty</i>		<i>\$570,000</i>	
<i>CEO: Youth Programs</i>	<i>\$14.3 million</i>		
<i>Beacon Opening Fees</i>			<i>\$3 million</i>
<i>Transfer of Social Services Funding from NYCHA</i>	<i>\$12.3 million</i>		
<i>Cultural After School Adventure (CASA)</i>			<i>\$5.5 million</i>
<i>Institute for Student Achievement</i>			<i>\$1.35 million</i>
<i>Helping Involve Parents in Schools Project (HIP)</i>			<i>\$4.3 million</i>
<i>Shelter Beds for At-Risk Runaway and Homeless LBGT Youth</i>			<i>\$1.7 million</i>

Street Outreach/Neighborhood Youth Alliance			<i>\$1 million</i>
<i>The After-Three Program</i>			<i>\$3.8 million</i>
<i>Sports and Arts in School Foundation</i>			<i>\$1.2 million</i>
<i>YMCA Virtual Y Program</i>			<i>\$500,000</i>
<i>Sub-Total</i>	<i>\$26.6 million</i>	<i>\$11.3 million</i>	<i>\$22.3 million</i>

PROGRAM	<i>TOTAL</i>		
	<i>Proposed Expenditure Increase FY'10</i>	<i>Proposed Expenditure Decrease FY'10</i>	<i>Failure to Fund Council Initiatives</i>
<i>ALL SERVICES FOR CHILDREN</i>	<i>\$28.4 million</i>	<i>\$162.2 million</i>	<i>\$69.1 million</i>