

WHAT'S AT STAKE

Last spring and summer, 4,200 New York children lost a parent or guardian to COVID-19 — that's one out of every 1,000 of our State's children. And 325,000 New York children were pushed into poverty. Black and Latinx children experienced the death of a parent or caregiver at twice the rate of white children. Today, as we face a second wave of COVID-19, and the sustained stress that the last year has wrought on families, we cannot divest from the minimum supports our communities need. Last year, New York balanced its budget on the backs of the poor. The FY2021 budget made steep cuts to Medicaid, withheld up to 20 percent of payments to communities and providers serving the most in need, and failed to provide tax reform for low-income families. This year, the Governor's proposed budget provides more of the same: cuts to services for families that need help, and no long-term tax reform to level the playing field and ensure all New Yorkers are paying their fair share.

PROGRESS FOR CHILDREN AND FAMILIES IN THE GOVERNOR'S BUDGET

Racial Justice

Improving Broadband Access

The digital divide plagues many communities across our State. The New York Urban League's *State of Black New York* indicates that nearly 60 percent of Black and Latinx New York City households, compared to over 80 percent of white New York City households, lack broadband access at home. And around 25 percent of Black and Latinx households only have access to the Internet via smartphones. The contrast is even more stark for Black and Latinx families living in poverty and deep poverty. Nearly 55 percent of all households with incomes under \$20,000 have internet in the home. To address some of these issues, the proposed budget will mandate \$15/month high-speed broadband service for low-income families qualifying for free or reduced-price school lunches or who are at 185 percent of the Federal Poverty Level, taking a step towards achieving greater equity in remote learning and telehealth access. While we applaud these efforts, the internet will likely remain out of reach for families already struggling to pay rent or put food on the table.

Youth Justice

Closing Juvenile Placement Facilities

We support the Governor's proposal to move swiftly to close four juvenile placement facilities and reduce the State's investment in incarcerating youth. Settings like these can pose significant risk to young people's wellbeing, and have been shown to neither reduce future contact with the system nor promote community safety. Moreover, juvenile placement facilities like these are the site of extreme racial disproportionality. During 2019, almost 75% of children admitted to state custody were Black or Latinx. Closing these places is a crucial step for youth justice reform and racial equity in New York.

Raise the Age Implementation

We are encouraged to see that the Governor's budget continues to set aside \$250 million for Raise the Age implementation, supporting New York's successful youth justice reform state-wide.

Child Welfare

Expanding Alternative Response in Child Welfare

We support the Governor's proposal to expand differential response programs to include all counties across the State. This approach, which provides families with local pathways to supportive services instead of formal investigations, have been shown to reduce racial disparities in child welfare.

Economic Justice

In addition to expanding broadband access and making significant investments in affordable housing, we support the proposal to limit co-pays for child care subsidies to no more than 20 percent of a family's income above the poverty level. While the proposal is expected to help 32,000 families, we know that for many, it will not be enough. This is one of the many reasons the more systemic approach to addressing child poverty described further below is needed.

Health Justice

Eliminating Essential Plan Premiums

We applaud the Governor's proposal to eliminate monthly premiums for the over 400,000 Essential Plan enrollees with incomes between 150 and 200 percent of the Federal Poverty Level. Doing so will make care more affordable for New York families enrolled in the Essential Plan and promote coverage for an additional 100,000 currently uninsured New Yorkers.

Expanding Telehealth Services

a. Alignment Areas

The telehealth reforms proposed in the Governor's Executive Budget have the potential to continue to increase access to critical health services during the pandemic and beyond, particularly for New Yorkers living in areas with provider shortages and those seeking behavioral health services. These reforms include requiring telehealth availability in commercial insurance plans and expanding access to behavioral health services.

b. Remaining Concerns

The Governor's Executive Budget proposes to codify the telehealth provisions created under the State's Executive Order for COVID-19. Clarity is needed regarding whether or not the State will continue to waive copayments for telehealth visits in 2021, particularly for mental health services and other frequently recurring visits. As the Governor's budget proposes to eliminate location requirements for telehealth visits, it is important to note that such visits can pose patient privacy concerns, particularly for adolescents whose home environments may prevent them from privately utilizing mental health services. We must also remain vigilant to potential issues with the quality of telehealth service provision replacing in-person care, particularly in Early Intervention Services, and how telehealth could affect integrated practices.

OPPORTUNITIES TO STRENGTHEN SUPPORTS FOR CHILDREN AND FAMILIES

Racial Justice

Center Racial Equity in All Policies and Rules

COVID-19 has magnified racial and ethnic disparities that have persisted in New York for far too long. No sector in New York is immune as disparities are found in child welfare, education, employment, food security, health care, housing, income security and youth justice. These disparities must be addressed through systemic change. This means no longer passing legislation or adopting rules without examining whether the policies will eliminate, perpetuate or create racial and ethnic disparities. New York has an opportunity to lead the nation by placing racial equity in all policies, requiring racial impact statements for all bills passed by the legislature and rules proposed by state agencies. While the proposed budget takes positive steps forward with respect to racial justice -- such as improved broadband access and equitable COVID-19 vaccine delivery -- it lacks the systemic approach needed to dismantle institutional racism.

Youth Justice

Reinvestment to Support Youth in Communities

The savings associated with closing four youth facilities – estimated at over \$21 million in operational and \$14 million in capital costs – should be reinvested in targeted communities that are driving use of state placements. A partnership with stakeholders in these communities, including impacted youth and families, service providers, child welfare and mental health system administrators, attorneys, judges and probation, should guide local solutions supported with these dollars.

Invest in Youth State-Wide

While we are encouraged to see that the Governor's budget continues to set-aside \$250 million for Raise the Age implementation, we are concerned by cuts to other programs that support youth by preventing contact with the criminal legal system serving young people who become court-involved. The proposed consolidation of Community Optional Preventive Services (COPS) and Supervision and Treatment Services for Juveniles Program (STSJP) would result in a 20% reduction in funds available to communities state-wide. Coupled with 5% cuts in State funding for costs associated with placement and detention, the State is increasing the burdens on local communities to pay for the juvenile justice system at a time of extreme economic stress. These cuts should be reversed and the funding restored.

Child Welfare

Invest in Family Well-Being

The proposed budget cuts millions of dollars to a variety of programs that promote family stability and child safety. Local Departments of Social Services have already endured months of financial withholding from the State, which has impacted their ability to support children and families across New York. In the face of widespread economic hardship, and the disproportionate impact of the COVID-19 pandemic on Black and Latinx communities, this is the wrong time to lock-in cuts to State support for critical child welfare programs for the difficult year ahead. The Governor's budget cuts State support for:

- child welfare preventive services that promote family stability in every county by 5%
- kinship care programs that help family members care for children by 5%

- adoption subsidies that enable more children to leave foster care by 5%, a reduction of \$9.4 million
- community-based programs to prevent children from entering the child welfare and juvenile justice systems by \$12 million (an overall reduction of 20%)

We must reverse these cuts and restore these funds for children and families.

Economic Justice

End Child Poverty in New York

Over 711,000 children in New York live in poverty, with children of color disproportionately impacted. This year, New York has an opportunity to lead the nation in eliminating child poverty. The FY2022 budget should include legislative language from the Child Poverty Reduction Act. The Act sets a target to cut child poverty rate in half by 2030, requires the Budget Director to evaluate the budget's effect on child poverty reduction each year and establishes an advisory council to evaluate and provide oversight of the effort.

Use the State Tax Code to Improve Income Supports

The FY2022 budget should reform the State Tax Code to improve income supports and reduce child poverty. First steps should include: (1) Expanding and strengthening the Empire State Child Tax Credit (CTC) by establishing a new early childhood tax credit of up to \$1,000 per child for children ages 0-3, eliminating the credit's phase-in, and expanding the existing credit up to \$500 for children ages 4-17; (2) Increasing and expanding the Earned Income Tax Credit (EITC) by raising the state's match from 30% to 45% of the federal program and extending EITC to childless workers under age 25; (3) Allowing tax credits to be paid to families quarterly; and (4) Making EITC available to more immigrant New Yorkers by adjusting filing requirements to mimic those of the Empire State Child Tax Credit.

Health Justice

Repeal the Medicaid Global Cap

The Governor's Executive Budget extends the Medicaid Global Cap through FY 2023, thereby creating an artificial shortfall for vital services that enable vulnerable New Yorkers to remain healthy and independent members of society and provide for their families. The Medicaid Global Cap also limits the amount of federal funding that New York can receive for its Medicaid program.

Expand Immigrant Coverage

The Executive Budget takes no meaningful action to increase access to critical health services for New York's undocumented immigrants. By allocating \$13 million to create a temporary state-funded Essential Plan for New Yorkers up to 200 percent of the federal poverty level who have had COVID-19 and are excluded from coverage due to their immigration status, our State can cover over 5,000 uninsured New Yorkers who have suffered directly from the pandemic and may require ongoing care to fully recover and provide for their families.

Adequately Fund Enrollment Assistance

The Governor's Executive Budget fails to increase funding for health coverage enrollment assistance and outreach. Despite coverage gains made in recent years, too many New York families still lack affordable and comprehensive health coverage. The State should increase the health insurance navigator budget from \$27.2M to \$32M to guarantee

high-quality enrollment services and provide an additional \$5M for community-based organizations to educate consumers about coverage options, particularly amidst a rise in insurance churn as New Yorkers who become unemployed seek out health coverage.

Adequately Fund Early Intervention Services

The Executive Budget proposes to cut Early Intervention funding by approximately \$13.7 million, further preventing children with developmental disabilities from accessing vital services that could help them catch up or prevent their delays from worsening. Rather than cut funding for these critical services, the State should increase EI rates by 10 percent and require insurance companies pay their fair share to cover the cost of EI services by adopting a covered lives assessment of at least \$40 million. The State must also act to respond to pandemic-related gaps in EI enrollment and service provision.

Adequately Fund Lead Poisoning Prevention Services

New York has more children with elevated blood lead levels than any other state in the U.S., and many communities have childhood lead exposure rates 5-6 times higher than Flint, Michigan at the peak of its water crisis. The proposed budget fails to address these issues and continues to inadequately fund county response efforts. An additional \$30 million is needed to help counties find lead hazards harming children with elevated blood lead levels and coordinate care to mitigate health impacts. New York is leaving at least \$50 million in federal funding on the table by not pursuing a Children's Health Insurance Program (CHIP) Health Services Initiative (HSI) to fund these efforts.