



**HOMELESS SERVICES UNITED**

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**Homeless Services United Testimony for the NYS 2020-21 Budget Forum**

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Homeless Services United (HSU) is a coalition representing the mission-driven, homeless service providers in New York City. HSU advocates for expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers. Thank you Chair Krueger and members of the New York State Senate Manhattan Delegation for your continued leadership on the homelessness and housing crisis in New York. **The landmark tenant reforms legislation you passed last session will preserve rent-regulated apartments in New York City and affordable housing throughout the State.** We welcome this opportunity today to highlight areas where we feel the Legislature can build upon its commitments to sheltering and housing New Yorkers.

In order to address the homelessness crisis in New York, the State must support and coordinate with localities in three key areas: eviction prevention, homeless services and shelter, and affordable and supportive housing.

**Relieving increased cost burdens to localities for shelter and housing:**

**New York State must recommit to help the City by paying its fair share of the cost of shelter and rental assistance supplements.** Over the past few years, the State has backed away from its commitment to funding the social safety net, passing more of the burden on to localities including New York City.

The SFY 2019-20 enacted budget created a 10% cut to New York City's Temporary Assistance for Needy Families (TANF) reimbursement rates for Family Assistance, a \$125 million cost shift to the City for public assistance and family shelter expenses.<sup>1</sup> **The SFY 2020-21 executive budget is proposing an additional 5% TANF reimbursement cost shift to the City for Family Assistance and Emergency Assistance for Needy Families programs, at an estimated cost to the City of \$51.4 million.**<sup>2</sup>

In addition to these two federal TANF percentage shifts, the City is burdened with paying 71% of the non-Federal share of the cost of Safety Net Assistance program, which was changed in the SFY 2011-12 budget from an equal 50/50 split between the City and State. Over the past two decades, Safety Net recipients has steadily increased, leaving New York City and other localities to foot the majority of the bill.

New York City, faced with record numbers of individuals and families in shelter, and many more perilously close to becoming homeless, needs the support of the State to fund these ever-growing needs. **We ask the Legislature to oppose the proposed 5% TANF reimbursement cut for Family Assistance and Emergency Assistance programs included in the Governor's executive budget, and restore the 10% TANF reimbursement cut to Family Assistance from last year's budget. Moreover,**

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<sup>1</sup> Commissioner Banks, DSS, Testimony before NYC General Welfare Committee on DSS FY20 Executive Budget, 5/22/19

<sup>2</sup> Comptroller DiNapoli, Report on the State Fiscal Year 2020-21 Executive Budget



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### **New York State should restore cost-sharing for cash assistance programs to 50% Federal, 25% City, and 25% State.**

### **Creating widespread access to rental assistance:**

In order to ensure that New Yorkers have a viable way to attain and remain stably housed in the community, statewide rental assistance programs are needed. **Homeless Services United supports the passage and funding of both Chair Krueger’s Housing Stability Support (HSS) A.1620/S.2375 and Chair Kavanagh’s Housing Access Voucher Program (A.9657/S.7628) in the SFY 2020-21 budget.** Statewide housing vouchers will be an effective tool to combat the effects of gentrification and rising rents, gaining access to a much larger swath of housing stock Statewide. Families and individuals with CityFHEPS and FHEPS “shopping letters” are unable to find apartments whose rent levels are low enough to qualify. People living in shelter can search for months to over a year for an apartment, given the extremely low vacancy rate for lower rent units. **In order to effectively be utilized, housing voucher rent levels must be tied to Fair Market Rent (FMR).** HSU is heartened that both Home Stability Support and Housing Access Voucher Program include this core recommendation, with HSS allowing for localities to supplement additional funds to raise rent levels up to FMR, and Housing Access setting a band rent levels at 90 to 110% FMR.

HSU applauds Chair Kavanagh’s proposal (A.9657/S.7628) for not mandating households have an active Public Assistance case to qualify for a voucher. Public Assistance (PA) requirements for other vouchers have been a barrier to housing for undocumented immigrants, a bottleneck for applications, and even a destabilizing for tenants. Plagued by systemic inefficiencies and errors and archaic bureaucratic procedures, households can see their public assistance cases erroneously sanctioned or closed, and as an immediate result have their rental assistance halted. **Vouchered households should not be at risk of losing their housing due to fluctuations or changes to their public benefits.** Additionally, HSU supports the renewal **eligibility criteria that ensures households can continue to increase income up until they are no longer “rent burdened”**, when the rent equals only 30% of their income.

Homelessness is an expansive social injustice touching hundreds of thousands of New Yorkers, and the as such, the solution is not cheap. But to do any less will not cure this ill, only its symptoms. **Homeless Services United urges the Legislature to fully fund and pass Home Stability Support (A.1620/S.2375) and Housing Access (A.9657/S.7628), and we are committing to standing with you to ensure that statewide rental assistance becomes a reality in New York.**

### **Creating a steady new supply of housing for homeless individuals:**

With the shelter census for Single Adults reaching a new record high one year ago, there is also an unprecedented need for supportive housing. **To ensure the future creation of supportive housing units remains uninterrupted, we urge the Legislature to hold Governor Cuomo to his previous commitment and include the following in the 2020-21 Budget:**

- 1. A capital appropriation to fully support the 14,000 supportive housing units yet to be funded from Gov. Cuomo’s commitment to provide 20,000 units of supportive housing Statewide,**



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accompanied by annual service and operating fund allocations for to support the units as they come online

2. Accelerate the supportive housing pipeline as NYC did last year (they increased the annual commitment by 200 beds per year)

### **Supporting the non-profit human services workforce:**

The nonprofit human services sector is eager to work with the Governor and the legislature to ensure that vital investments are made in the sector during the 2020-21 session. Our nonprofit organizations struggle to deliver vital services to their communities. New York State has heard from us time and again that the human services sector is at a breaking point. Despite an increasing need for these services, the Governor's executive budget does not include funding necessary for the financial health of human services providers and the millions of people we serve. We recognize previous programmatic and workforce investment, notably the salary increases for direct care workers in the developmental disabilities, mental health, and addiction recovery fields, but more is needed to combat a decade of divestment.

It is more important than ever to make strategic investments in this sector so that we can better serve our communities. HSU asks the Governor and legislature to commit to a three percent increase across rates and contracts each year for the next five years, which is in line with the Governor's statement that a 3 percent growth rate is projected and reasonable for Medicaid and education. Human services should be included in that projection, and this 3for5 investment is crucial to shoring up lifesaving services in New York.

Through these initiatives, the Legislature would deliver the keystone necessary to build a viable pathway out of shelter and back into permanent housing and further cement households' ability to retain their housing when at risk of becoming homeless. New York City and other localities are struggling with the cost of shelter and housing and need the State to courageously recommit to sharing the burden of this all-encompassing crisis. Creating a Statewide housing voucher and upholding the promise of creating much needed supportive housing is not only the morally just choice, it makes good fiscal sense, resulting in cost-savings to both New York State and tax payers, reducing evictions and the need for emergency shelter and homeless services.