

CDF-NY Priorities in the New York State FY2021 Final Budget

On April 3, 2020, the New York Legislature adopted a Fiscal Year (FY) 2021 final State Budget allocating approximately \$178 billion in spending. As advocates for children across New York State, Children's Defense Fund – New York (CDF-NY) examined the budget's impacts on children and families, with attention to on child welfare and family wellbeing, economic justice, education justice, health and youth justice. Additionally, we identified priority areas where our continued advocacy is needed.

CHILD WELFARE AND FAMILY WELLBEING

Wins

The budget included legislation reforming our standards for child welfare investigations and the State Central Register (SCR). These once-in-a-generation reforms supported by families, community-based providers, attorneys representing children and parents, and advocates across the State, will make New York's child welfare system fairer by:

- Raising the standard of proof for a finding against a parent to “a fair preponderance of the evidence” on Jan 1, 2022, bringing New York in line with a majority of jurisdictions across the county, and better balancing child safety with fairness for parents;
- Protecting parents by limiting SCR reporting for employment and other purposes for those where there was an indicated finding for child maltreatment to 8 years, helping mitigate barriers to employment that push families deeper into poverty, especially poor parents of color;
- Allowing parents the ability to show evidence of rehabilitation at fair hearings challenging findings made against them; and
- Aligning records in the SCR with findings made by Family Courts, so that parents don't need to go through a duplicative process to clear their records if a Judge found there was not evidence of abuse or neglect.

More Work To Do

Despite our advocacy, the budget:

- Includes a \$25 million reduction in State funding for the open-ended child welfare services funding stream;
- Fails to restore State reimbursements to counties for child welfare expenses (preventive and protective services funding and other child welfare expenses) to the statutory rate of 65%; and

- Fails to establish an independent and open-ended funding stream to fund the Kinship Guardianship Assistance Program (KinGAP) to incentivize counties' use of KinGAP supporting children living with family.

We also note that important kinship supports were cut in the final budget from \$2.2 million to \$1.3 million. Kinship support programs, which are small investments compared to the State's overall budget, make significant contributions to people caring for children to help them meet their daily needs. This cut could result in New York losing roughly half of its 19 local kinship programs.

During this public health crisis and period of economic instability, community resilience is paramount. Unfortunately, the budget fails to make critical investments in child welfare that would help strengthen families.

ECONOMIC JUSTICE

Wins

The FY2021 budget takes a step forward for low-income New Yorkers by automatically providing the State's Earned Income Tax Credit (EITC) for eligible persons even if they have not claimed it on their return. This will help New Yorkers who may not be aware of the state EITC program, or who may have inadvertently failed to claim the credit on their tax forms. CDF-NY will continue to work on further expansions of the state EITC.

More Work To Do

The budget inexplicably failed to include the Governor's proposed expansion of the child tax credit to correct New York's counterintuitive exclusion of young children from the state's child tax credit. Low-income New York families will be experiencing significant economic hardship as a result of the pandemic for many months to come. This credit would have helped families with children under age 5. Fixing this issue is particularly important because these families are more likely to live in poverty than families with older children. CDF-NY will also continue its advocacy on increasing the amount of the credit for all families.

EDUCATION JUSTICE

Wins

While grants for alternative approaches to school discipline remained unchanged at \$3 million, we are encouraged that the final budget includes \$10 million in re-allocated funds for student mental health support grants to school districts.

More Work To Do

The final budget provided no increases in funding for schools, despite receiving nearly \$1 billion in federal stimulus dollars. In addition, there was no new funding provided for the expansion of Pre-K, and only \$1 million provided for diversity and tolerance curricula and education. This budget continues the inequities that exist in our education system.

We will continue to advocate for long-term, sustainable investments that support schools in implementing restorative practices and improving school climate, as current funding is not sufficient to meet the needs of schools across New York State, including Solutions Not Suspensions (S.767B/A.1981). This legislation promotes restorative and trauma-informed practices that help and enable young people to feel supported, be present at school and on a path towards graduation.

HEALTH

Wins

While many provisions of the FY2021 final State Budget are [harmful](#) to the health and well-being of New York's children and families, the budget makes some progress on health policy matters.

Notably, the FY2021 budget contains a comprehensive series of *tobacco and e-cigarette restrictions* to protect our State's youth from the harmful effects of these products. These reforms include:

- Banning the sale of flavored e-cigarettes in New York State (excluding FDA authorized products);
- Banning free distribution of vapor products; and
- Banning advertising and exterior window display of all tobacco products within 1500 feet of schools statewide and 500 feet of New York City schools.

The budget also includes a commitment of \$8.3 million in *continued school-based health center (SBHC) funding*, including \$3.8 million restored by the Legislature. SBHCs provide critical health care services to students in medically underserved communities statewide, improving both their health and educational outcomes in the process. The budget also continues funding at current levels for lead poisoning prevention and health insurance navigators. Maintaining this funding was critical as so many other health programs were cut in the budget.

More Work To Do

As previously noted, much of the FY2021 budget will negatively impact the health and well-being of the most vulnerable New Yorkers.

The FY2021 budget *drastically cuts New York's Medicaid program*, and the cuts are expected to touch most of the 6.3 million New Yorkers who receive comprehensive and affordable health care from the program. Many of the \$2.5 billion in Medicaid cuts proposed by Governor Cuomo earlier this year were enacted in the final budget, including:

- Increasing across-the-board Medicaid provider cuts to 1.5%, thereby reducing payments to hospitals, doctors, pharmacists, nursing homes, home-care providers and Medicaid managed-care plans, as well as lowering the total dollar amount in federal matching aid New York receives;
- Cutting the Health Homes program by \$48.7 million; and
- Cutting indigent care pool funds for hospitals without reallocating the funds to true safety-net hospitals that need it most.

New York's Medicaid Global Cap remains in place and was arguably made worse. The Department of Health and the Division of the Budget now have authority to automatically cut Medicaid in categories of service where spending outpaces overall program growth, without any consideration of the needs of New Yorkers. CDF-NY advocated for replacing the global cap with a transparent global budgeting process that accounts for the needs of New Yorkers, quality of care, shifting demographics and relevant economic measures. We will continue to closely monitor the implementation of these changes.

The FY2021 budget also *fails to expand immigrant health coverage* for over 400,000 New Yorkers unable to obtain coverage due to their immigration status. The State improve coverage for immigrant families by enacting S.3900/A.5974 and creating a state-funded Essential Plan for New Yorkers whose immigration status excludes them from coverage. Doing so would build on both New York's progressive history with respect to immigrants and the precedent set by removing immigration status as a barrier for COVID-19 testing, evaluation and treatment. Experts estimate that at most 110,000 individuals would enroll in this plan annually.

Even as children's coverage rates plateau and the number of uninsured New Yorkers grows every day due to coronavirus-fueled unemployment, *funding for health coverage enrollment assistance and outreach remains stagnant* in the FY2021 budget. To respond to increased demand for coverage and guarantee high-quality enrollment services, the State should:

- Increase the navigator budget from \$27.2 million to \$32 million; and
- Provide \$2 million to community-based organizations for consumer outreach and education, particularly in the hardest-to-reach communities.

Children with developmental delays and disabilities continue to experience difficulties accessing vital early intervention services that could help them catch up or prevent their delays from worsening. The FY2021 budget *fails to protect the early intervention (EI) program* by cutting program funding by \$8.2 million, potentially worsening longstanding issues of high-quality EI providers closing or reducing their EI clients as a result of prior program cuts. The State can protect critical EI services by:

- Increasing EI provider rates by 10%; and
- Adopting a covered lives assessment of at least \$40 million to ensure that commercial insurers pay their fair share of EI service costs.

YOUTH JUSTICE

Wins

Following a campaign begun last summer, the final budget rescinds statutory authority for Department of Corrections and Community Supervision (DOCCS) operated Adolescent Offender facilities and transfers custody of Adolescent Offenders to the Office of Children and Family Services (OCFS) by October 1, 2020. This important change is consistent with the spirit of Raise the Age, ensuring that adolescents sentenced to incarceration in the Youth Part of criminal court are placed in age-appropriate settings designed and staffed to serve and care for youth—not adult prisons. This includes:

- Providing educational and vocational training, mental health services, and counseling;
- Providing services to youth that are trauma-informed and treatment-based; and
- Engaging family members and other significant adults in a young person's life to encourage growth while incarcerated and pave the way for successful community re-entry.

The new law also ends the use of solitary confinement on 16 and 17 year olds, by ensuring that adolescents have the protections of developmentally appropriate juvenile rules and regulations, which prohibit the use of extended isolation and solitary confinement.

The budget also raised the State's investment from \$200 to \$250 million supporting local implementation of Raise the Age reforms. This support includes resources for local prevention, diversion, and treatment to help keep youth in their communities now that the law applies to both 16 and 17 year olds. However, this funding continues to be subject to the State tax cap, which makes New York City ineligible for most RTA implementation funds.

More Work To Do

Unfortunately, our advocacy to include other youth justice reforms in the budget was not successful. We continue to advocate for ending the criminalization of childhood by stopping the arrest and prosecution of children under 12 as juvenile delinquents, and expanding youthful offender protections for court-involved youth up through age 25.

We are also disappointed with the amendments to last-year's bail reform law, which will expand the number of people who can be incarcerated pretrial, including youth prosecuted in the adult criminal court system.