



Testimony of

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Before the
New York City Council
Finance Committee

Regarding the New York City
Preliminary Plan Budget Proposals for FY12

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My name is Danielle Marchione and I am the Director of Communications and Government Relations at Citizens' Committee for Children of New York (CCC). CCC is a 67-year old privately supported, independent, multi-issue child advocacy organization dedicated to ensuring New York City's children are healthy, housed, educated and safe. I would like to thank Chairman Recchia and the members of the Council Finance Committee for holding this hearing on the City's Preliminary Budget for City Fiscal Year 2012.

While we appreciate the negative impact that the state's proposed cost shifts would have on the city's budget, we believe that it is unacceptable for the city's children to continue to bear a disproportionate burden of balancing the budget, particularly in light of the city's improved revenue forecast for FY12 (an additional \$1.1 billion projected for FY12).

Before discussing the details of the Preliminary Budget for FY' 12, it is important to remember that this Financial Plan represents the 10th round of budget cuts. New York City's children have already lost thousands of slots in child care centers, after school programs, school based dental clinics, mental health programs, and the Summer Youth Employment Program. In addition, the Administration for Children's Services (ACS) has repeatedly been held to a higher budget cutting standard than any of the uniform services, despite being the City's emergency responder for children, leaving the agency to layoff over 1,000 staff and to curtail support for non-mandated services.

Notably, the Mayor's Preliminary Budget for FY' 12 fails to address ACS's \$95 million structural budget deficit in the child care program and instead the City has sent letters to the parents of almost 17,000 children informing them that they will no longer have a child care subsidy by September 1st. This is unacceptable. Child care is an economic engine in this City, enabling low income working parents to continue in the work force while also ensuring that their children are learning and being prepared to enter kindergarten. The success of New York City's Public Education System hinges on children being prepared to learn—without a quality early learning experience, children will start school behind their peers. In addition, taking away child care from parents who are self-sufficient and contributing members of the city's economy will cause irreparable harm to the city's economic recovery.

In addition to the failure to provide ACS with the resources it needs to provide child care services, the Preliminary Budget for FY' 12 also fails to fund the 2,900 preventive service slots the City Council funded in FY11, and cuts critical homemaking services. Preventive services strengthen and support families so that children are safe in their homes and do not need to enter more costly and traumatic foster care. Given the economic downturn and the continued high level of abuse and neglect reporting, ACS needs to preserve preventive service capacity. CCC appreciates the City Council's longstanding commitment to preventive services.

While we appreciate the City's effort to replace the \$1.86 billion loss of state and federal funds with city tax levy for the Department of Education, we urge the City not to move forward with 4,000 teacher layoffs. The magnitude of these layoffs would trigger an increase in class size and have a profound negative impact on the quality of education.

The Preliminary Plan for FY' 12 also eliminates funds for child care classrooms and centers, Summer Youth Employment Program slots, Out-of-School-Time slots, community based health services, and mental health services for children under 5. These services are basic community-based supports upon which thousands of children and families rely – they ensure that the children are prepared for school, positively engaged in their schools and communities, and that children

have access to primary health and mental health care services. These services are proven to be cost-effective, preventing the need for more costly interventions in the short and long term.

Finally, the administration is planning to eliminate the Work Advantage Program, which is the only rental subsidy available to help families exit the homeless shelter system. While we appreciate the inadequacies in the Advantage program and that the State may eliminate its contribution to the program, we respectfully urge the City to ensure there is a housing subsidy program for homeless families. Housing subsidies are much more cost-effective than spending \$70 million to build new homeless shelters and paying \$3,000 per month per family in shelter.

In sum, we urge the Mayor and the City Council to protect investments in programs and services for children, as they are cost-effective, produce good outcomes for children, youth and families, and ensure that the City can avoid the fiscal burden of more costly interventions in the short and long term.

Finding the revenue needed to restore these detrimental cuts will require a balanced approach. CCC suggests that all revenue producing options must be on the table including but not limited to sin taxes, income taxes, and pension reform.

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

Attached is a chart detailing the full \$161.5 million in cuts to children's services, as well as the elimination of 17,000 child care subsidies and the Advantage Program.



**Fiscal Year 2012 Preliminary Budget for New York City
Proposes \$161.5 Million in Net Reductions to
Human Services for Children and Families and the
Loss of Over 16,000 Child Care Subsidies**

On February 17, 2011 Mayor Bloomberg issued his Preliminary Budget for City Fiscal Year 2012. While CCC was pleased to see that the City's revenue has been increasing and the Mayor was able to offset the anticipated loss of state funds for mandated services, the Preliminary Budget reduces funding for critical services for children by \$161.5 million, including 2,900 preventive service slots, homemaking services, school based mental health centers and after school programs. In addition, the City is planning to eliminate over 16,000 child care subsidies for low-income working families.

Below please find the list of Preliminary Budget Human Services proposals that would impact children:

CHILD CARE

Program	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
Restoration of 72 child care center classrooms			(\$11.26 million)
Restoration of child care centers slated for closure			(\$6.68 million)
Increase in child care co-payments		(\$13.0 million)	
Sub-Total	\$0	(\$13.0 million)	(\$17.94 million)

***In addition, due to a structural budget deficit, ACS is planning to eliminate 16,462 child care subsidies, which would require \$91 million annually to restore.**

CHILD WELFARE

Program	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
2900 Preventive Service slots			(\$11.7 million)
202 Child Protective Staff positions			(\$5.9 million)
Child welfare staff			(\$1.9 million)
CONNECT Domestic Violence program			(\$270,000)
Child Advocacy Centers			(\$500,000)
Homemaking services		(\$5.1 million)	
Child and Family Specialists		(\$1.0 million)	
Administrative and support function layoffs (118 staff)		(\$2.8 million)	
Staff reductions in the Division of Child Protection through attrition (80 supervisors and managers)		(\$2.7 million)	
Sub-Total	\$0	(\$11.6 million)	(\$20.27 million)

CHILDREN'S HEALTH SERVICES

Program	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
Asthma Control Initiative			(\$500,000)
Child Health Clinics			(\$5.0 million)
Family Planning Initiative			(\$325,000)
2 School-Based Health Centers		(\$182,000)	
CEO: Expand Access to Healthy Foods	\$182,000		
HHC Unrestricted City Subsidy		(\$7.14 million)	
Infant Mortality Reduction Program			(\$3.0 million)
Obesity Prevention Programs			(\$1.27 million)
NYU Mobile Dental Vans/Dental Clinic			(\$268,000)
Primary Care Capacity Initiative			(\$669,000)
Sub-Total	\$182,000	(\$7.3 million)	(\$11.03 million)

HOUSING AND HOMELESS SERVICES

Program	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
Shared Rooms for Families with Children		(\$1.67 million)	
Reducing Advantage Broker's Fees		(\$1.58 million)	
New Family Intake Center (maintenance and security costs)	\$2.44 million		
Furnish a Future Contract (DHS)			(\$400,000)
Citywide Task Force on Housing Court (HPD)			(\$500,000)
Partial restoration of Community Consultants (HPD)			(\$415,000)
Restore the Housing Preservation Initiative (HPD)			(\$1.5 million)
Partial restoration of Anti-Eviction Legal Services			(\$2.0 million)
Citywide Homeless Prevention Fund			(\$250,000)
Sub-Total	\$2.44 million	(\$3.25 million)	(\$5.07 million)

*In addition, the City is planning to eliminate the Work Advantage Program, which is the only subsidy available to help families transition out of the shelter system.

LEGAL SERVICES

Program	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
Citywide City Legal Services			(\$1.5 million)
Partial restoration for Legal Information for Families Today (LIFT)			(\$485,000)
Legal Services for the Working Poor			(\$1.05 million)
Legal Services NYC- Keeping Families Together			(\$300,000)
MFY Legal Services			(\$100,000)
SSI-UI Legal Advocacy Program			(\$1.3 million)
Legal Services to Prevent Evictions			(\$2.3 million)
Sub-Total	\$0	\$0	(\$7.04 million)

CHILDREN'S MENTAL HEALTH SERVICES

Program	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
Autism Awareness Initiative			(\$1.25 million)
Mental Health Treatment for Children Under Five			(\$1.25 million)
Mental Hygiene Contracted Services including MR/DD clinics		(\$4.86 million)	
Suicide Prevention Hotline			(\$247,150)
Mental health, substance abuse and mental retardation/developmental disability services (HHC)			(\$800,000)
Mental health contracts (non HHC)			(\$450,000)
Sub-Total	\$0	(\$4.86 million)	(\$3.99 million)

PARKS AND RECREATION

Program	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
Playground Associates			(\$1.0 million)
Funding to keep all city pools open for the last 2 weeks of the pool season			(\$891,000)
Close 4 Pools and Shorten Outdoor Pool Season			(\$546,000)
Sub-Total	\$0	\$0	(\$2.44 million)

SOCIAL SERVICES

Program	Proposed Expenditure Increase FY'11	Proposed Expenditure Decrease FY'11	Failure to Fund Council Restoration
Teen Relationship Abuse Prevention Program (Teen RAPP)			(\$2.5 million)
Food Stamps at Farmer's Markets			(\$420,000)
Food Pantries			(\$1.9 million)
Sub-Total	\$0	\$0	(\$4.82 million)

YOUTH SERVICES

Program	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
Out of School Time Reduction- Option I (33 programs)			(\$5.95 million)
OST Option I- Reduction in School Holiday Availability (from 20 to 14)		(\$6.05 million)	
Reduce Summer Youth Employment Program (SYEP) by 2,140 summer jobs		(\$3.2 million)	
Shelter Beds for At-Risk Homeless Youth			(\$5.99 million)
Runaway Homeless Youth Services (5 drop in centers and elimination of City funds for street outreach)		(\$330,000)	
City Council Beacon Restoration			(\$4.1 million)
Reduce Beacon Contracts by 10%		(\$2.63 million)	
New York Junior Tennis League			(\$800,000)
Cultural After School Adventure (CASA)			(\$4.08 million)
City Council Member Discretionary Funds			(\$7.7 million)
Street Outreach/Neighborhood Youth Alliance			(\$1.0 million)
The After-Three Program			(\$3.8 million)
YMCA After School Program			(\$500,000)
Sports and Arts in the School Foundation			(\$1.2 million)
OST Option II			(\$3.05 million)
NYCHA Cornerstone Program Reductions in holidays (20 to 14) and 632 slots		(\$1.1 million)	
Sub-Total	\$0	(\$13.31 million)	(\$38.17 million)

TOTAL

PROGRAM	Proposed Expenditure Increase FY'12	Proposed Expenditure Decrease FY'12	Failure to Fund Council Restoration
ALL HUMAN SERVICES FOR CHILDREN	\$2.62 million	(\$53.32 million)	(\$110.77 million)