

**Testimony of Steven Banks, Commissioner
The New York City Department of Social Services**

**Before the New York City Council General Welfare Committee
HRA's Fiscal Year 2018 Preliminary Budget
March 27, 2017**

I would like to thank the City Council's General Welfare Committee and Chair Stephen Levin for giving us this opportunity to testify today about the Human Resources Administration's budget and our continuing work to move forward with reforms of our policies and procedures.

My name is Steven Banks and I am the Commissioner of the New York City Department of Social Services (DSS) which oversees both the Human Resources Administration (HRA) and the Department of Homeless Services (DHS). Joining me today are HRA's newly appointed Administrator, Grace Bonilla, DSS's Chief Program Planning and Financial Management Officer Ellen Levine, Executive Deputy Commissioner for Finance Erin Villari, and Chief of Staff Jennifer Yeaw.

Under the integrated management structure implemented following the 90-day comprehensive operational review of New York City's homeless programs to ensure services are delivered as efficiently and effectively as possible, in my capacity as the Department of Social Services Commissioner, we appointed Grace Bonilla to serve as the administrator for HRA, who reports directly to me.

In her capacity as Administrator, Ms. Bonilla oversees core HRA programs and services, including Cash Assistance; SNAP (food stamps); Employment Services; Medicaid and Health Insurance Access; Child Support; Homelessness Prevention, Rental Assistance, Homebase, and Rehousing Services; Legal Services; Homecare; Adult Protective Services (APS); Domestic Violence Services; Disaster Services; and the HIV/AIDS Services Administration (HASA).

As the nation's largest social service district, the New York City Department of Social Services provides key supports to low-income and working New Yorkers and serves over 3 million individuals annually.

Creating an integrated reporting structure for both HRA and DHS is providing a more effective day-to-day management structure and a unified mission across agencies. Under this integrated management structure, the following are now shared services across both HRA and DHS: Counsel and Contracts, IT, Program Accountability and Audits, Communications and External Affairs, Human Resources, Infoline, Finance, Performance Management, Research, and Policy and Planning as well as IDNYC.

Since the adoption of the FY17 budget, HRA has come before the Council on a number of occasions to testify at hearings concerning the Office of Civil Justice, Three Quarter Housing, out of school and out of work youth, Supportive Housing, and hunger. Each of these hearings allowed us an opportunity to provide detailed updates to the Council on the extensive work across HRA's multiple programs aimed at:

- Providing supports such as SNAP (food stamps) and cash assistance, public health insurance, and emergency grants and eviction prevention services for working families to remain in the workforce when their jobs don't pay enough to cover basic expenses such as rent;
- Assisting New Yorkers struggling to return to or enter the workforce by providing a variety of employment-related services, including access to education and job skills training, help with job search and placement, and temporary cash assistance; and
- Providing a safety net for those permanently or temporarily unable to work.

Among those who do receive cash assistance, half are children, and nearly half of the adults are not subject to work requirements under federal and state law because they are seniors or people with permanent or temporary disabilities who have barriers to employment. In addition to cash assistance, HRA provides key support through the following programs:

- 3.5 million New Yorkers receiving Medicaid through HRA or the new State health insurance exchange;
- 1.7 million New Yorkers receiving SNAP food assistance and millions of meals served through food pantries and community kitchens;
- 710,000 New Yorkers receiving home energy assistance every winter, which the Trump Administration has proposed to eliminate; and
- 110,000 receiving one-time cash assistance each year to prevent evictions and utility shutoffs or provide assistance with other emergencies.

At HRA, we are targeting services to those most in need and most at risk. We invested in significant outreach and media campaigns to ensure that information about prevention services and other supports is making its way to New Yorkers in need. We have made significant investments to streamline and expand our outreach efforts under the Homelessness Prevention Administration.

Through our comprehensive prevention measures, since the summer of 2014, we have successfully:

- Reinstated and expanded rental assistance and rehousing programs that have helped nearly 55,500 New Yorkers move out of shelter or avoid homelessness;
- Funded a tenfold increase in the investment in tenant legal services resulting in 27% of tenants receiving legal representation up from just 1% with 14,000 fewer evictions allowing more than 40,000 people to remain in their homes;
- Expanded the use of emergency grants to keep New Yorkers in their homes. In calendar year 2016, HRA provided rent arrears to 58,100 households at a cost of \$214 million, and between January 2014 and December 2016 a total of more than 161,000 household received assistance, representing a 24% increase in cases compared to 2013. The increase in spending resulted from increased monthly rents families and individuals have to pay, additional households being found eligible due to the increasing gap between rents and income, and enhanced targeting of these services to prevent homelessness through partnerships with community-based organizations;
- Moved the Homebase program from DHS to HRA to enhance our coordination of homelessness prevention services and expanded from 11 to 16 providers operating 23 locations across the five boroughs and doubled the program's funding. As a result of these increases Homebase reached 25,632 households in FY16, a 115% increase of households served compared to FY14; and

- Reached more than 194,000 New Yorkers through the tenant support unit, which launched 18 months ago to conduct proactive outreach on critical services to prevent homelessness among renters facing housing-related problems.

HRA also helps thousands of the most vulnerable New Yorkers, by providing shelter and supportive services to survivors of domestic violence, support for people living with HIV, protective services for adults unable to care for themselves and home care services for seniors and individuals with physical or mental disabilities, as well as the most expansive legal services nationwide to prevent evictions, stop the harassment of tenants, assist immigrant New Yorkers, and provide legal help for persons with disabilities and seniors.

January 18 Plan Overview

The HRA FY17 budget as of the January 2018 Plan is \$9.7 billion (\$7.3 billion City tax levy) in FY17, increasing to \$9.8 billion (\$7.5 billion City tax levy) in FY18.

The primary reason for the increase of \$124 million (\$195 million City tax levy) between FY17 and FY18 is:

- A \$17 million increase in 2018 compared to 2017 for the full expansion of Domestic Violence Shelter which includes 300 emergency beds and 400 Tier II units. To date 150 of the emergency beds have already been brought online with an additional 67 in the pipeline pending State approval.
- \$30 million in total funds (\$22 million City tax levy) for consolidation of former DHS functions into DSS.
- \$50 million for preventive Homebase services and Aftercare that is transferred to HRA from DHS in 2018.
- Increases of \$15 million in total funds and \$12 million in City tax levy for additional costs of rental assistance in 2018.
- A \$30 million increase between FY17 and FY18 for supportive housing operations.
- The net increase in City tax levy is due to revenue savings in FY17 that do not recur in FY18. This includes \$42 million in the January Plan and \$70 million in the November Plan.
- Funding increases are slightly offset by one-time City Council funding.

The January Plan increased the FY17 budget by \$18 million but produced \$32 million in City tax levy savings as the net result of the revenue savings initiatives in the November and January Plans. The FY18 budget increased by \$24 million (\$10 million City tax levy). 75 positions were added in FY17 and 70 positions were added in FY18.

January Plan New Needs

Job Training Program to replace Work Experience Program (WEP) at Department of Citywide Administrative Services (DCAS) and the New York Police Department (NYPD)

Effective December 31, 2016, HRA has eliminated the Work Experience Programs (WEP) and replaced it with other work activity initiatives, including additional Job Training Program (JTP) slots. In addition to JTP slots at the Parks Department and the Department of Sanitation, DCAS and NYPD will acquire 105 JTP slots to serve up to a total of 210 cash assistance participants annually.

- DCAS is funded at \$1.2 million total city funds in FY17; \$1.5 million in FY18; \$1.6 million in FY19; \$1.7 million in FY20 and the outyears.
 - DCAS will make available 45 job slots to serve 90 cash assistance participants annually.
- NYPD is funded at \$863,000 in City tax levy in FY17; \$1.8 million in FY18; \$2 million in FY19; \$2.1 million in FY20 and the outyears.
 - NYPD will make available 60 job slots to serve 120 cash assistance participants annually.

The annual increase in funding for this initiative is based on future wage increases for these jobs as a result of the increased minimum wage requirements.

Legal Initiatives

Action NYC is funded at \$1 million in total City funds in FY18 and outyears. This initiative will fund immigration legal services at Health & Hospital facilities.

Other Initiatives

Public Engagement: 80 HC and \$11.8 million in total funds and City funds in FY17; \$13.8 million in total funds and City funds in FY18 and outyears. The NYC Public Engagement Unit (PEU) identifies and executes proactive strategies to connect more New Yorkers to key city services. Relying heavily on data analytics, the use of new technologies, and large-scale outreach tactics, this unit identifies New Yorkers in need of assistance and assists them navigating and obtaining city services.

Thrive NYC: 10 HC and \$380,000 in total funds and City funds in FY17; \$761,000 in total funds and City funds in FY18 and outyears. Thrive NYC conducts outreach to encourage Mental Health Well-being.

Center for Economic Opportunity (CEO) Evaluation: \$729,000 in total funds and City funds in FY 17 only. This funding was added to the budget to fund CEO to evaluate anti-poverty programs.

Mayor Office to Combat Domestic Violence (MOCDV) Expansion: \$309,000 in FY17; \$658,000 city funds in FY18, and \$255,000 city funds in FY19 and outyears. MOCDV is expanding its Domestic Violence Prevention and Education programming.

HRA's five year capital budget of \$200 million includes:

- \$65 million for facilities and construction.
- \$116 million for information technology, including development related to Benefits Re-engineering.
- \$19 million for telecommunications and other capital projects.

The two pie charts in the power point we have provided to you each show how the percentage of spending by program area is currently allocated in each fiscal year.

Now I would like to update the Council on HRA's reform initiatives in key program areas.

Homelessness Prevention

The prevention programs HRA oversees include case management services like family mediation; educational advancement; employment; financial literacy services; early warning referrals from NYCHA, Adult Protective Services and City Marshals for tenants on the verge of eviction; and finally emergency grants and rental assistance to keep families and individuals in their homes and prevent and alleviate homelessness. The cost of averting eviction, displacement, and homelessness is significantly less than the cost of shelter, to say nothing of the human costs associated with homelessness.

This prevention first strategy streamlines and focuses already successful initiatives recognizing the many benefits of keeping New Yorkers stably housed and in their communities. These proven models represent a comprehensive set of tools aimed at achieving better outcomes for those who are most at risk of eviction and homelessness in our city.

Following the Mayor's 90-day review of homeless services and programs, Homebase was moved from DHS to HRA to consolidate prevention programs at HRA. And as I stated earlier, since 2014, we expanded the Homebase program from 11 to 16 providers operating 23 locations across the five boroughs and a doubling the program's funding. As a result of these increases Homebase reached 25,632 households in FY16, a 115% increase of households served compared to FY14.

We have released an RFP to further expand Homebase prevention services in FY18 to include community-based Aftercare and other services.

Legal Services

Earlier this month, I testified before the Courts and Legal Services Committee in full detail concerning the Office of Civil Justice, that testimony can be found on HRA's website.

In summary, in FY17, for the first time, New York City's overall investment in civil legal services for low-income City residents exceeds \$100 million. This fiscal year, Mayoral programs exceeding \$83 million and City Council awards of nearly \$28 million fund free legal services for low-income New Yorkers across a range of areas including immigration, access to benefits, support for survivors of domestic violence, assistance for veterans, and anti-eviction legal services and other legal assistance for tenants in need.

Specifically, the January 2018 Plan includes funding as follows:

- **\$62.2 million** for legal services programs for tenants facing eviction, harassment and displacement, which includes \$28.8 million for eviction defense legal services for low-income tenants in Housing Court and \$33.4 million for anti-harassment/displacement legal services, as well as administrative and staff support;
- **\$11.2 million** for immigration legal assistance, which includes \$3.2 million for legal assistance programs including the Immigrant Opportunities Initiative (IOI) and \$2.1 million in immigration legal programs funded by Community Service Block Grants, as well as \$5.9 million for legal and navigation services as well as outreach through the ActionNYC program operated in partnership with MOIA and CUNY;
- **\$2.1 million** for civil legal services for seniors; and

- **\$1.9 million** for legal services related to access to federal benefits such as SSI.

In addition, in FY17, HRA is overseeing \$24.5 million in funding added by the City Council for legal services for the working poor; immigration legal defense services for detained individuals, unaccompanied minors, and families with children facing deportation; assistance for survivors of domestic violence and veterans; anti-eviction and SRO legal services; and general support for civil legal services providers.

Together, the Administration and the Council have invested \$111 million in legal services for low-income New Yorkers with civil legal needs. No other city allocates even a small fraction of what New York City is committing to provide access to civil justice.

And last month, as the Mayor and the Speaker announced, we are continuing to build on our tenfold increased investment in tenant legal services as we implement over the next five years an unprecedented universal access to counsel program for all tenants facing eviction in Housing Court in New York City. With this step, the City of New York becomes the first city in the United States to implement a universal access to counsel program for tenants in Housing Court, with the largest tenant legal services program anywhere in the country.

Improving Access to SNAP (food stamps)

Currently, nearly 1.7 million New Yorkers receive SNAP, including more than 650,000 children. Compared to one year ago, the SNAP caseload increased by 8,371 cases (0.9%) and 11,192 recipients (0.7%). Of these nearly 1.7 million New Yorkers, more than 410,000 of them also receive Cash Assistance (CA), an important safety net for children and adults. Many SNAP recipients are employed, but their incomes are so low that they still qualify for SNAP benefits. This is why the increase in the minimum wage is essential to lifting New Yorkers out of poverty.

Over the past three years, we have continued to implement reforms so that eligible New Yorkers can more easily apply, enroll, and recertify for this crucial benefit. In particular, we continue our work to optimize our systems, allowing clients to apply and recertify for certain benefits and programs in a more efficient and accessible means online. Our goal is to ensure that every New Yorker who is eligible for SNAP has access to this work support and assistance to alleviate hunger.

In January of this year, we testified in detail about our new and improved technology reforms. The goal of these reforms is aimed at removing real barriers to access thereby making it easier for clients not only to apply for benefits, but to recertify for benefits. Those reforms include:

Enhancements to ACCESS NYC: this website allows city residents to not only apply for SNAP online, but to submit SNAP recertification applications. The system now allows clients to access more information. Two new features, My Cases and My Documents were recently added. My Cases displays a 12-month case history, benefits balance, case status, case members, recent payments, appointments, eligibility documents needed to be submitted to HRA, and an online budget letter request, as well as other case information. My Documents also records when eligibility documents a client submitted are added to the client's electronic file.

Launching the HRA mobile app which allows clients to upload relevant documents instead of visiting a SNAP Center or a partnering community-based organization, or faxing or sending documents by postal mail.

This year, HRA plans to build out a full HRA mobile app with additional features that provide SNAP and Cash Assistance clients access to their HRA cases online. Rather than using a computer, this will give clients the ability to use their smartphones or tablets to view case status and benefits issued, read electronic notices, see upcoming appointments and receive text messages or email alerts about their case. Clients who need to submit documents will be able to see which have been requested from them, take pictures and upload the documents, and then view when they are added to their case file.

Expanding self-service document scanning areas at SNAP centers and community-based organizations. There are currently 15 SNAP centers and 92 community-based organizations where clients can quickly and easily submit documents electronically. 12 Job Centers now have scanners and 10 Job centers have self-service kiosks.

Providing self-service PC terminals at all but one of HRA's SNAP Centers. These terminals allow clients to use the ACCESS NYC portal to complete and submit SNAP applications and recertifications.

Implementing On-demand interviews citywide. We also rolled-out on-demand interviews citywide, which allow clients to conduct their SNAP recertification applications at their convenience, rather than the old system of waiting for a call during a four-hour window, or having to come into a center and wait for an interview. This month, the current average wait time for an on-demand telephone interview is just a few minutes. As an additional enhancement, we plan to introduce on-demand telephone interviews for new SNAP applicants by this Fall.

These technological improvements represent significant initiatives to reduce or eliminate barriers to access to SNAP benefits.

Employment Plan

HRA's Employment Plan moves away from a one-size-fits-all employment approach to a new, more diverse, individualized approach. And following the December 31, 2014 approval by the State Office of Temporary Assistance and Disability Assistance (OTDA) of the HRA Employment Plan, we began developing and implementing significant employment program reforms. Since that time we have steadily rolled out programs and initiatives that are grounded in best practices and focus on achieving sustainable outcomes. We are improving employment and training outcomes so that more clients have an opportunity to achieve economic stability, secure employment, and move off the caseload and out of poverty.

HRA's new employment services model connects clients to individualized education, training, employment and other services that give them the skills and training they need to compete in the job market and reach their maximum earning potential. Of the 63,856 employable clients on HRA's caseload, 44% lack a high school diploma; without a high school education it is difficult to earn even \$20,000 – and in New York City that will not take you very far. This is why we have implemented new initiatives permitted under federal and state law to provide clients with the opportunity to gain a high school diploma or college level education. As of February 2017 there were 3,392 HRA clients enrolled in a college or university and 7,232 HRA clients enrolled in a high school or an equivalent program.

In November of 2016, HRA announced contracts for our new Employment Plan programs that will benefit more than 68,000 clients annually. These new contracts will begin next week. The three programs are:

- **YouthPathways**, which targets New Yorkers aged 18-24 and will provide in-depth assessment, training, education, job placement and other services that are specifically focused on this population. The contracts were awarded to ResCare Workforce Services, America Works of New York, Inc., Fedcap Rehabilitation Services, Goodwill Industries of Greater NY and Northern NJ, Inc., Maximus Human Services Inc., and East River Development Alliance. These providers will be working with the following subcontractors: Queens Library, Association of Community Employment, Avondale Care Group, Career & Educational Consultants, Community Service Society, Futures and Options, HANAC, Project Renewal, Pro-Placement Solutions, Quality Employment Services, and StartFresh.
- **CareerCompass**, which will assess the skills and experience of clients 25 and over, help them create a service plan, and match them with employment, sector-based training, education, adult literacy, high school equivalency, or other programs as needed. The contracts were awarded to America Works of New York, Inc., Fedcap Rehabilitation Services, National Association on Drug Abuse Problems of New York State, Inc., Goodwill Industries of Greater NY and Northern NJ, Inc., Maximus Human Services, Inc., DB Grant Associates, Inc., and Educational Data Systems, Inc. These providers will be working with the following subcontractors: HANAC, Community Service Society, Project Renewal, Inc., and Career & Educational Consultants.
- **CareerAdvance**, which will provide expert sector training, employment, and retention services in growth industries. CareerAdvance includes borough-based contracts as well as contracts specifically tailored to populations with special needs including homeless and formerly homeless New Yorkers and domestic violence survivors, those with previous involvement in the criminal justice system, those with limited English proficiency and immigrants, Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (LGBTQI) New Yorkers, and older adults. The contracts were awarded to DB Grant Associates Inc., Maximus Human Services Inc., America Works of New York, Inc., and Goodwill Industries of Greater NY and Northern NJ, Inc., Fedcap Rehabilitation Services, and Gay Men's Health Crisis. These providers will be working with the following subcontractors: York College, Association of Community Employment, Avondale Care Group, Career & Educational Consultants, Community Service Society, Futures and Options, HANAC, Nontraditional Employment for Women, Project Renewal, Madison Strategies Group, StartFresh, Quality Employment Services, Pro-Placement Solutions, and Association of Women Construction Workers of America, Inc.

In addition to the services from our contracted providers, HRA is further developing a network of partner organizations to ensure that our clients have access to a multitude of education, training, community service, internship, and employment opportunities that will help them succeed and reach their goals.

HIV Services

On Monday, August 29, 2016, we expanded medical eligibility for the HASA program so as to permit all financially-eligible New York City residents with HIV to seek and obtain HASA services. Although

the financial requirements remain unchanged, an applicant need no longer have AIDS or be “symptomatic” in order to be eligible for HASA services.

The HASA program has successfully implemented this change. From August 29, 2016 through January 31, 2017, HASA has accepted 3,444 new clients; compared with 2,034 new clients during the same period in 2015 and 2016. Of the 3,444 new clients, 1,822 were expansion clients. To accommodate the increase in caseload, HASA was provided additional funding to hire 28 new case managers through FY18.

Assistance for Clients with Disabilities

Following the March 2015, **Lovely H.** class action lawsuit settlement, HRA began to implement major systemic reforms to enhance assistance and services for clients with disabilities. HRA, working with an expert consultant, developed tools to assess whether clients need reasonable accommodations as the result of physical and/or mental health limitations or other impairments. HRA then provides the appropriate accommodations, including referrals to HRA’s Wellness, Comprehensive Assessment, Rehabilitation and Employment (“WeCARE”) program or other services designed to assess and meet the needs of clients with disabilities.

Achievements related to these reforms over the past year include:

- Developing a procedure by which clients who have been referred to WeCARE within the past 12 months can elect to accept a direct referral to WeCARE, rather than being called in to the Job Center. In FY17 a total of 5,471 clients were referred directly to WeCARE, as a result of this reform.
- Providing help to obtain medical documentation for the Home Visit Needed/Home Bound (HVN/HB) designation. While HVN/HB status has always been based on medical documentation, HRA is providing enhanced assistance to obtain that documentation. We call clients at least twice to remind them of the need to provide this documentation. We search our records for any medical documentation we already have to see if it can be used in our clinical evaluation, and we offer to work with the client's medical provider directly to get medical documentation. The end result is that clients are receiving help to avoid being denied HVN/HB status because of a lack of supporting medical documentation.
- Accepting documentation from the Community Based Organizations (CBOs) in DHS's street homelessness outreach project indicating client eligibility for HVN/HB status and exemption from participation in work activities consistent with state regulations (18 NYCRR 385.2(d)). Street homeless clients are often very difficult to serve. HRA has developed a closer relationship with the CBOs that serve street homeless clients to address this challenge. HRA created a significantly expedited process, including holding regular office hours at the CBO locations, to register these clients and quickly process their homebound status requests.
- Implementing effective appointment rescheduling procedures for clients with disabilities HRA set up an interactive voice response system to ensure that clients who need to reschedule an appointment can always get through to HRA during business hours. These calls are processed by specialized HRA call units, which have full access to the client's HRA calendar, can reschedule an appointment on the spot, and give a confirmation number to the client for his or her records.
- Implementing plain language notice updates. HRA notices include a lot of instructions and legal language that can make them difficult to understand. In partnership with the Mayor's Office of Operations, HRA created a Plain Language and Clean Design policy for our writers to follow

when creating or revising any client-facing notices. Standards set forth in this procedure include using short sentences and simpler words, larger font and spacing, the use of visual icons and boxes to highlight the most critical information. While all future client facing notices will be measured by this new policy, HRA is also engaged in a massive effort to revise existing notices to meet the plain language and clean design standards. The end result is the production of notices that our clients will understand more easily.

- Conducting cross training throughout the Agency, particularly at the points of entry and in programs most likely to serve persons with disabilities. HRA created an extensive training curriculum, developed by our Director of Disability Affairs to raise awareness of the needs and legal rights of clients with disabilities. The training addresses common encounters and scenarios of HRA workers in working with clients with disabilities, as well as all the new processes we have put in place to assist these clients (e.g. reasonable accommodations). To date, we've trained 6,500 HRA employees.

The last few slides in our power point present a number of additional reforms we implemented over the last fiscal year, some of which we have already discussed at prior hearings. We have accomplished a great deal over the past year, and we will continue with our reform initiatives during the coming year.

Thank you again for this opportunity to testify and I welcome your questions.