



Ensuring Financial Stability for Human Services

A look at federal funding during and after the pandemic

May 3
12 – 1 PM



Raysa S. Rodriguez
Chief Program and Policy Officer
FPWA



Andrew Perry
Senior Policy Analyst
FPWA



Agenda

- Introduction to FPWA's Federal Funds Tracker
- Federal funding for NYC human services in fiscal year 2021
- Looking ahead to the city, state, and federal budgets
- Q&A



About FPWA

- FPWA is an anti-poverty policy and advocacy organization that promotes economic opportunity and a strong human services sector
- This mission includes programs, advocacy, policy research, and supporting our more than 170 human services member organizations
- As the city begins its recovery, human services continue to support the communities hit hardest by the pandemic
- This series aims to address stresses facing the sector, with discussions on ensuring financial stability, leading and managing through change, and avoiding employee burnout



FPWA's Federal Funds Tracker

- Launched in wake of 2016 presidential election in response to human service providers' concern for federal funding amid changing federal landscape
- Provides member organizations with accessible information on funding trends for key human services programs
- Allows FPWA to conduct fiscal analysis at federal level, and report on local implications of federal legislation



FFT findings and advocacy to date

Findings

- FFT found significant reductions in federal funding for New York City's human services agencies between 2010 and 2019, largely the result of fiscal austerity beginning in 2011
- During this period, ACS took the biggest federal funding hit, with cuts to Adoption Assistance and the Child Care and Development Block Grant leading the way
- During the Trump Administration, the FFT consistently found that the administration's budget proposals would result in sharp cuts to human services, while the budgets ultimately passed by Congress held total human services roughly constant

Advocacy

- FPWA's fiscal policy team used these findings as a platform for advocacy, weighing in on federal legislation including Covid stimulus bills and Trump and Congressional budget proposals



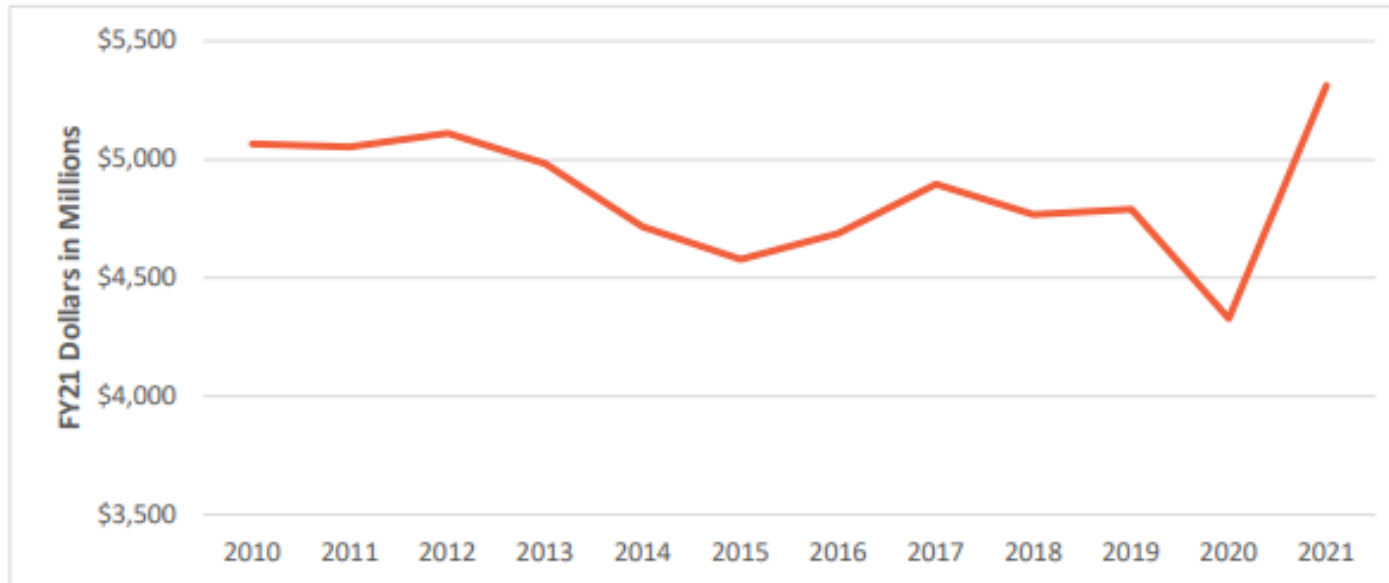
2021 update—substantial Covid relief and cause for concern

- Human services agencies received **\$5.3 billion in federal funding** in fiscal year 2021, a **22.7 percent increase** from the prior year
- Just two programs more than account for the total federal funding increase across human services
- Without Covid-19 relief funding federal grants to human services agencies would have **fallen 5.7 percent**
- Declining funding for TANF underscores risks

Covid relief drove an increase in human services funding

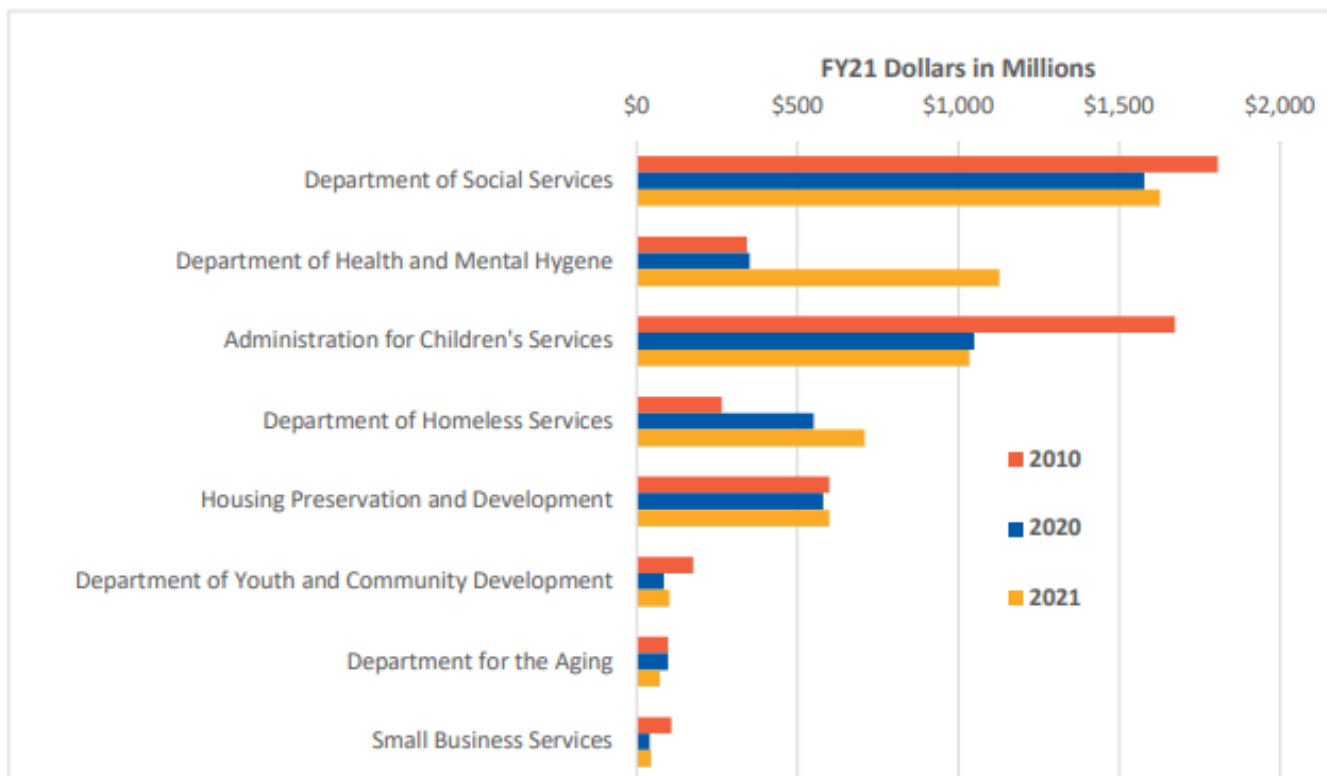
- Covid relief drove federal human services funding up to \$5.3 billion, a 22.7 percent increase from the prior year

Figure 1. Federal Funding for Human Services Agencies, Fiscal Years 2010 to 2021



Health and Homelessness services received the most relief funding

Figure 2. Total Federal Funding by Agency, Fiscal Years 2010, 2020, and 2021

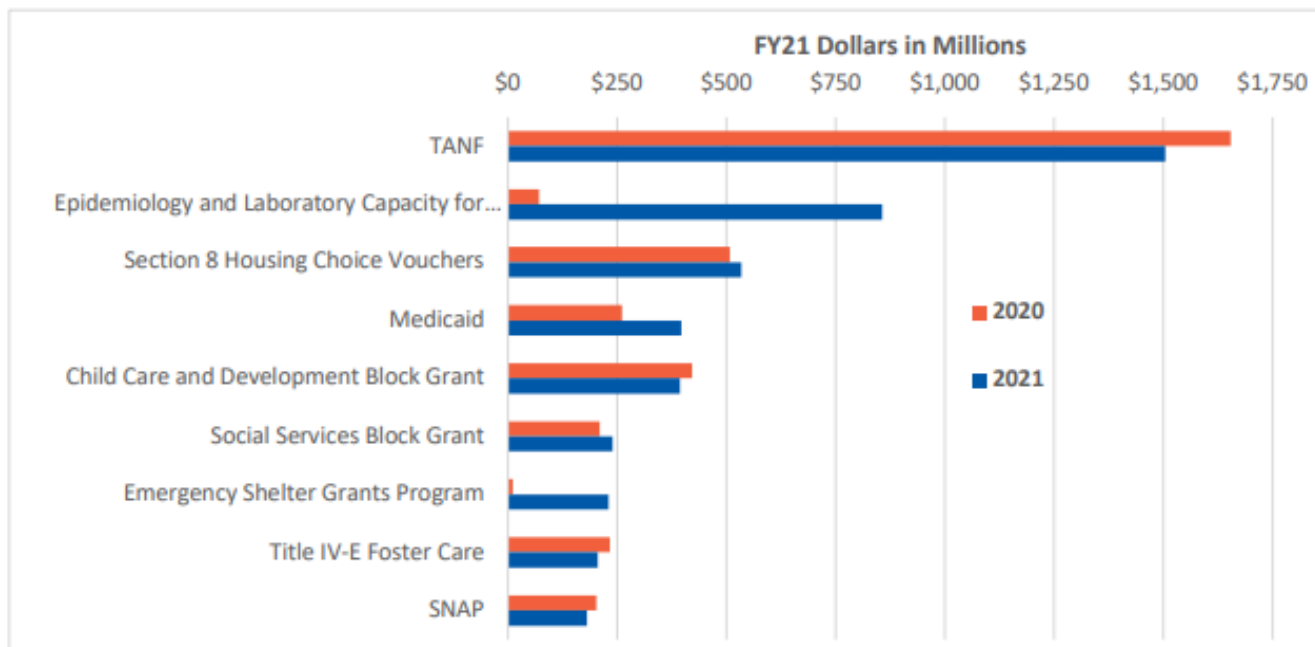


- DOHMH's federal funding tripled
- Funding to DHS rose 29 percent
- DSS funding steady
- ACS and DFTA saw funding fall

A small number of federal grants drove funding increases

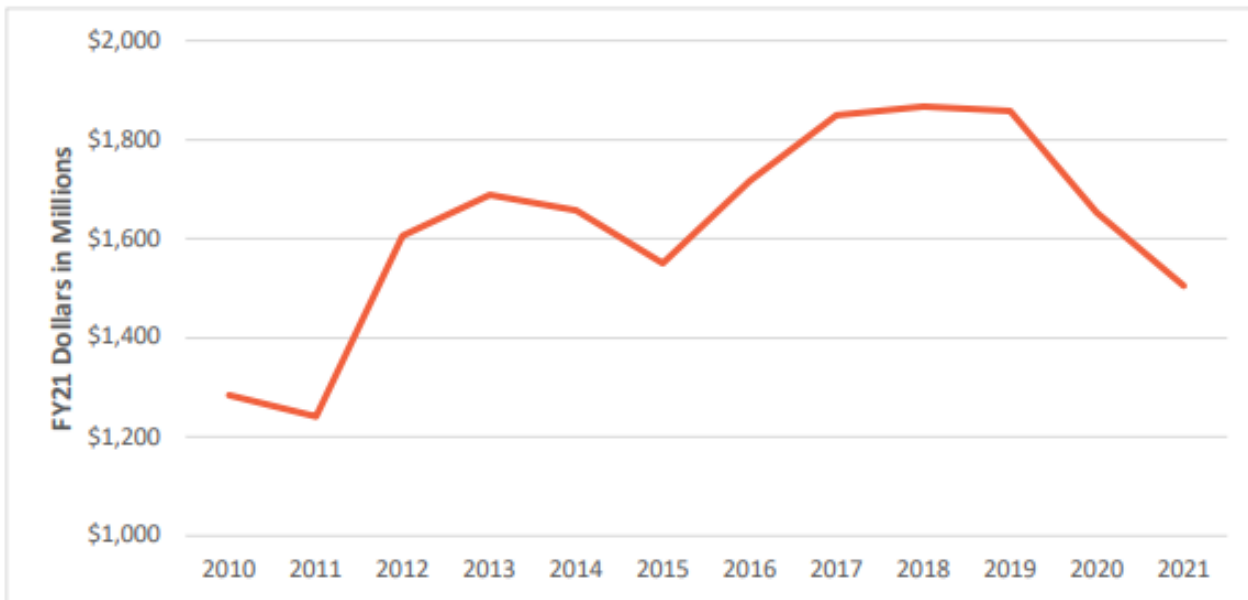
- Two programs alone more than accounted for the total increase
- Without the top six relief receiving grants, federal funding would have fallen

Figure 3. Citywide Top Federal Grant Programs, Fiscal Years 2020 and 2021



Falling TANF funding highlights risks to baseline funding

Figure 4. Federal Funding for Citywide TANF Programs, Fiscal Years 2010 to 2021



- TANF declined for a third consecutive year
- Risk of eroding as emergency funding begins to expire



Federal fiscal cliffs pose risk to economic recovery

- Inadequate federal stimulus after the 2008 financial crisis caused a **slow and inequitable economic recovery**
- Unemployment for Black workers and in communities with lower incomes **remained persistently high**
- If emergency COVID relief expires too quickly and leaves declining baseline federal funding in its wake, we risk repeating this mistake
- Caseloads for public assistance rose during COVID and remain persistently high—a local government liability as federal relief expires
- Reducing support for those hardest hit by the pandemic will have devastating consequences
- **Action should be taken at all levels of government** to ensure full and adequate funding for human services in the wake of COVID relief



Looking ahead—New York State

Fiscal year 2023 budget passed April 9, 2022

Childcare

- \$5 billion over three years to expand eligibility for block grant funded childcare
- \$287 million tax credit for families; additional tax credit for NYC-based childcare providers
- Compromise with more extensive Senate and Assembly proposals

Human Services

- 5.4 percent COLA for human services workers during fiscal year 2023
- Workforce development, bonus pay for healthcare workers
- Minimum wage increase for home health workers



Looking ahead—New York City

Mayor's executive budget proposal

- Lower total spending as a result of falling federal aid
- Executive budget proposed a \$1.3 billion PEG. Largely expense re-estimates and vacancy reduction—not service reductions
- Budget proposals focus on public safety, childcare, youth services, mental health, and homelessness

Council priorities

- Council priorities focused on youth services, education, mental health, community safety
- \$10m for CBOs, HRA to increase access to benefits
- 4 percent COLA for human services workers



Looking ahead—Federal

Fiscal year 2023 budget executive proposal released March 28, 2022

- 12 percent increase for non-defense spending
- Decrease in Medicaid spending
- New Mental Health Transformation Fund—\$7.5b over 10 years
- Nothing is inevitable—Congress can pass Continuing Resolutions if it cannot agree on a budget by October 1

Program	Increase (\$)	Increase (%)
CCDBG	\$1.4b	23%
Head Start	\$1.2b	11%
CDBG	\$295m	8%
Section 8 HCV	\$4.8b	17%
Homeless Assistance Grants	\$363m	11%

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Thank you for attending



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