

Testimony of FPWA

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40 Broad Street, 5th Floor New York, New York 10004 Phone: (212) 777-4800 Fax: (212) 414-1328 We are grateful to the members of the Council Committee on General Welfare for holding this hearing, and to Chair Ayala for the opportunity to provide testimony on behalf of FPWA (Federation of Protestant Welfare Agencies).

FPWA is a leading anti-poverty, social policy and advocacy organization dedicated to strengthening human services organizations and faith institutions and advancing economic opportunity and justice for New Yorkers with low incomes. Since 1922, FPWA has driven groundbreaking policy reforms to better serve those in need. We work to dismantle the structural and systemic barriers that impede economic security and well-being, and we strengthen the capacity of human services agencies and faith organizations so New Yorkers with lower incomes can thrive and live with dignity.

FPWA has a membership network of more than 170 faith and community-based organizations. We support our members by offering workshops and trainings on topics such as leadership development, organizational management, and trauma-informed approaches to service delivery. FPWA provides a range of financial assistance grants through our member network, working to strengthen individuals and families at the ground level. These grants provide direct support to New Yorkers in the form of scholarships, financial assistance for aging adults, funding for organizations providing HIV/AIDS related services, and more.

The City Budget Hearings come at a critical time, as 62% of New York City households are economically insecure today, according to a recent <u>report</u> commissioned by the National True Cost of Living Coalition, co-chaired by FPWA. This means that nearly two-thirds of all households in New York City struggle to pay their bills and housing costs, afford health care and child care, and save for their futures. The number increases to a staggering 72% for households with children. This is unacceptable. We believe that the city has an obligation to ensure economic security for *all* New Yorkers, regardless of their race, gender identity, immigration status, or other characteristics. The FY26 City Budget presents an opportunity to make real progress to make this a reality. This includes improving and expanding income supports for low-income New Yorkers and ensuring that the human services sector has the resources needed to thrive.

Summary of Key Budget Asks

- Increase HRA's budget to improve the management and administration of benefits and make the experience more dignified for individuals accessing benefits. This should include funding to:
 - Streamline application and recertification processes to reduce case closings/application denials caused by administrative barriers.
 - o Improve turnaround time for case processing.
 - o Implement people-centered, trauma-informed practices into the delivery of services.
 - Invest in improving technology used by HRA to manage cases.
- Increase funding to \$100 million for the Community Food Connection program.
- Increase funding for free Health Bucks, the city's farmers market SNAP incentive program.
- Create a \$5 million Food Justice Fund for community-led projects designed to grow food justice and build wealth in low-income communities and communities of color.
- Continue to fund several Council Discretionary Initiatives, including \$8.26 million for the Food Pantry Initiative, \$2.134 million for Access to Healthy Food and Nutritional Education, and \$1.5 million for the Food Access and Benefits Initiative.
- Increase city investment in the human services sector.

Vital Services Are at Risk

Income supports like cash assistance and SNAP provide critical assistance to New Yorkers; however, these programs are at risk in the FY26 preliminary budget. For FY26, OMB is proposing a -2.9% cut to DSS (as compared to the FY25 Adopted Budget). These cuts come on top of a long-term trend of underinvestment. According to FPWA's NYC Funds Tracker, which monitors New York City's revenue and the flow to budget expenditures, DSS's funding, when adjusted for inflation, has decreased -4.5% from FY12 to FY24.

The proposed reduction in FY26 spending makes cuts to key DSS programs, including but not limited to:

- \$1.2 billion in Public Assistance (OTPS)
- \$160.2 million in Medical Assistance (OTPS)
- \$112.7 million in Adult Services (OTPS)
- \$52.7 million in Legal Services (OTPS)
- \$38.2 million in Emergency Food (OTPS)

While demand for human services programs have <u>soared</u> since FY20, with the number of SNAP recipients increasing by 15%, Medicaid by 25%, and cash assistance by over 50%, funding has not kept pace. With these proposed cuts, the city will continue to fall short in delivering vital services and meeting the needs of New Yorkers.

Cash Assistance and SNAP Provide Critical Support to New Yorkers

A core focus of our work to support New Yorkers with low incomes is ensuring that individuals and families have access to income supports like cash assistance and the Supplemental Nutrition Assistance Program (SNAP). Cash assistance provides direct cash aid to individuals and families with the lowest incomes for basic needs, like clothing, hygiene products, and household items. SNAP provides individuals and families with food assistance, which is of critical importance as New Yorkers continue to experience hunger and food insecurity. Income supports like these not only reduce poverty, but they also improve outcomes for individuals, families, and communities. For example:

- Research shows that direct cash is linked to improvements in <u>health</u>, food security and <u>nutrition</u>, and reductions in domestic <u>violence</u> and child <u>maltreatment</u>.
- Cash support is also linked to increases in rates of <u>employment</u>, and it is effective at promoting economic mobility by allowing individuals to <u>plan</u> for the future.
- SNAP helps <u>improve</u> food security and overall health. It is also linked to <u>improved</u> educational attainment and higher rates of school completion.
- SNAP also stimulates local economies, as every dollar in new SNAP benefits <u>increases</u> GDP by \$1.50 in a weak economy.

New Yorkers Face Barriers to Access and Maintain Critical Income Supports

Benefits like cash assistance and SNAP play a key role in helping New Yorkers meet their basic needs. But too often, individuals and families seeking assistance often face challenges with the processes to apply for and retain benefits, which can be time-consuming and require divulging personal information and providing extensive documentation. Ultimately, many in need of assistance are denied benefits or lose benefits at recertification precisely because of these challenges.

This is a significant issue in the cash assistance program, and each year tens of thousands of New Yorkers are denied access to the program due to administrative barriers related to the application and recertification processes. From July 2022 to June 2023, New York State denied more than 188,000 applications (56% of all denials) due to reasons related to the application process (i.e., "failure to comply with application requirements, such as failure to appear for interviews or failure to provide documentation") and closed more than 138,315 cases due to reasons associated with the recertification process (i.e., "failure to comply with program requirements not related to employment such as failure to recertify") representing 57% of all cases closed. These procedurally-driven denials and closures are consistently the main reason individuals are denied or lose cash assistance, demonstrating that these processes are overly burdensome for those seeking assistance. In addition to the high number of application and recertification denials, applicants for cash assistance and SNAP have experienced severe processing delays in recent years, leaving thousands of New Yorkers waiting longer than 30 days.

FPWA's Recent Report Reveals Challenges with HRA

Beyond these issues, New Yorkers who are trying to access these benefits experience a myriad of other issues while interacting with the Human Resources Administration (HRA). To better understand these and other issues within the cash assistance program, we conducted a series of in-depth interviews (as well as a statewide survey) with New Yorkers receiving cash assistance. In our recent report, Rewriting the Story: Lived experiences of New Yorkers receiving cash assistance, we share findings from this work, and one key finding is that New Yorkers seeking cash assistance face many hurdles and barriers in the application and recertification processes. Interview participants shared extensive accounts about this, but in general, they demonstrate that the cash assistance program is administered in a way that reflects the program's history: it's punitive, confusing, and designed to deter people from seeking assistance. The main access and retention barriers that came up repeatedly in our interviews are:

- Burdensome Application and Recertification Processes: To qualify for cash assistance, New Yorkers must have no or extremely low income and limited savings/assets. Applicants must complete a lengthy application, submit extensive documentation, and interview with a caseworker. To remain eligible, individuals must comply with program rules like work requirements and periodically recertify for benefits. Participants we interviewed consistently reported that during the application process, they were often told that they did not submit paperwork or that it was "lost," even though they had a record of submitting it. Participants also reported challenges with the recertification process, such as not knowing when to recertify and not receiving notice, and many have been cut off from cash assistance as a result. Several participants reported that they lost benefits because of some processing error, such as a caseworker not entering their recertification into the system. Participants reported going without food or other essentials or turning to local food pantries or nonprofit organizations when their benefits were cut off. In our survey, 50% also reported that they were cut off benefits due to recertification issues.
- Long Wait Times: Participants reported that they frequently wait hours, sometimes the entire day, while applying or recertifying in person or visiting an office to resolve an issue. One participant said she has had to take time off from work several times to resolve various issues, and she added that maintaining cash assistance "is like an actual job." This was also reflected in the survey, where 68% of respondents reported waiting three or more hours during their most recent visit to their social services office, with 42% waiting five or more hours. Participants also reported long hold times on the phone. One participant, who had her cash assistance stolen, said she counted that she spent 30 hours on the phone trying to resolve the issue.
- Poor Communication and Inconsistent Information About Program Requirements: Many participants reported instances where they could not reach anyone at HRA or their local social

- services office to resolve an issue. Participants also reported receiving false or conflicting information from staff about program rules and application/recertification requirements.
- Disrespect and Negative Experiences with Staff: Participants reported being treated poorly by
 HRA staff while applying, recertifying, or resolving issues with their cases, and participants
 described the experience of going to a Benefits Access Center as "uncomfortable," "intimidating,"
 even "humiliating.

Below are some quotes from participants about their experiences with HRA.

"To go into the [HRA] office...and sit there for a bunch of hours...I feel like I'm being judged when I go into the office, and I'm treated a certain way just because I need a certain thing...or I'm sitting there for hours, or I'm not given all the information I need, or I'm probably misled."

Dejonea, 29-year-old woman from Brooklyn

"I went a couple times in person [while applying]. I've called them multiple times. I sat on hold for five hours at one point, and the system just hangs up on me...I think my worst experience was when I last tried to go in person. I came in with all the paperwork...and [they told me to call instead]."

Andrew, 26-year-old man from the Bronx

"The amount of paperwork that is requested is too onerous. Besides that, it is so hard to find someone who speaks Spanish."

Pilar, 39-year-old woman from the Bronx

"I think everybody knows that if you go there, it's gonna be at least 3 hours. One time, I was there for 10 hours...they sent me a message saying I had to reapply for shelter, they told me I'm not eligible. It was like 2 or 3 times. They said I'm not eligible and I have to go back to reapply. Each time I go, it's 3, 6, 10 hours.... I'm completely at the mercy of HRA. I can't plan my life. I can't control my life. It's taking way too long to process the documents. It's like living life on hold."

Camila, 54-year-old woman from Queens

"It's so impossible to reach out to [HRA]...It doesn't matter how many hours you're sitting on the phone, they never answer...it makes it very difficult for someone like me, who is disabled, to go in person."

Elias, 24-year-old from Brooklyn

"I just remember feeling just awful because I already felt terrible for being in that situation...the inperson process was just very intimidating. I just dreaded going to the office."

Amy, 45-year-old woman from Manhattan

Recommendations to Improve Access to Cash Assistance and SNAP in the FY26 New York City Budget

To address the challenges outlined above in both city data and testimony from benefits recipients, FPWA calls on the City Council to increase HRA's budget to improve the management and administration of benefits and make the experience more dignified for New Yorkers. This should include funding to:

- Streamline application and recertification processes to reduce case closings/application denials caused by administrative barriers. HRA should hire staff to conduct a thorough review of these processes to determine if there are ways to waive certain documentation requirements or ease the paperwork burden on applicants/recipients in other ways. HRA should also develop resources and other protocols to mitigate these challenges, such as providing individuals with accessible, clear instructions on how to apply and recertify, and providing information about the specific programs they are eligible for and the requirements for maintaining benefits. In addition, because thousands of New Yorkers are denied or lose benefits because of the interview requirement, HRA should implement a tracking system to require relevant staff to confirm interview completion (or failure thereof) for all scheduled applicant interviews and ensure protocols are followed for contacting individuals who have missed the interview to offer support.
- Improve turnaround time for case processing. In recent years, applicants for cash assistance and SNAP have faced lengthy processing delays, which we discussed in our testimony to the General Welfare Committee last year. Since then, the city has made progress in rectifying the backlog of cases, but it is still below where it needs to be, with recent reporting showing SNAP timeliness rate at 83% and cash assistance timeliness rates at 53%. Thus, more work needs to be done to ensure that all eligible applicants receive benefits promptly, and HRA should be sufficiently staffed to have the capacity to process applications efficiently and prevent future backlogs. In addition, efforts to process applications more swiftly should ensure that applicants are still able to complete the interview and other requirements so that these efforts do not lead to more case closures.
- Implement people-centered, trauma-informed practices into the delivery of services. FPWA, in partnership with graduate students from New York University's Wagner School of Public Service, conducted a thorough analysis of strategies to make the cash assistance program more people-centered and trauma-informed. Some recommendations to do so include revamping Benefits Access Centers to create a more welcoming, accessible environment, with clear signage, printed resources in multiple languages, a clear and uniform check-in process, and designated private areas for individuals to complete their application/recertification. Both in-person and remote services (i.e., telephone) should utilize trauma-informed language to facilitate more supportive communication with benefits applicants/recipients. This should also include hiring more HRA staff to cut down wait time for individuals applying for benefits, and staff should receive additional training on trauma and the importance of people-centered approaches to service delivery.
- Invest in improving technology used by HRA to manage cases. This includes improving internal management systems and expanding features on ACCESS HRA app and on the website. For example, HRA could develop a chat box functionality and other simple assistance features to facilitate easy information access. In addition, applicants should receive automatic document confirmation to confirm receipt and acceptance of uploaded documents.

Additional Recommendations to Enhance Cash Assistance and SNAP/Food Assistance

FPWA is a member of the NYC Food Policy Alliance, a multi-sector group of 70+ food system stakeholders from across New York who work together to identify and advocate for public policies and funding that not only respond to our current economic and hunger crises but also address the ongoing vulnerabilities and injustices of the food system. In alignment with this coalition, FPWA supports the following measures to further enhance food access and fight hunger in the FY26 New York City Budget:

 Increase funding to \$100 million for Community Food Connection (CFC) to meet the growing demand for food assistance across NYC. This is especially urgent given the rising cost of food and increased demand at emergency food providers across the state. Due to an 83% increase in emergency food visits from 2019 to 2024, the city's emergency food system is under unprecedented strain. A substantial investment in CFC is essential to meet the growing demand for food and to provide critical support for communities facing worsening affordability and food insecurity crises.

- Increase funding for free Health Bucks, the city's longstanding farmers market SNAP incentive program. The current funding level for Community and Faith-Based Organizations has remained static at \$200,000 for several years, which is no longer sufficient to meet growing demand. In 2024, the New York City Department of Health and Mental Hygiene (DOHMH) received 600 applications from local CBOs for Health Bucks but was unable to fully fund all requests, leaving many organizations with less than they needed or without funding altogether.
- Create a \$5 million Food Justice Fund for community-led projects designed to grow food justice and build wealth in low-income communities and communities of color.
- Continue to fund the following Council Discretionary Initiatives:
 - \$8.26 million for the Food Pantry Initiative
 - \$2.134 million for the Access to Healthy Food and Nutritional Education Initiative
 - o \$1.5 million for the Food Access and Benefits Initiative

Investing in the Human Services Workforce

Finally, none of this work could be done without the human services sector, which provides vital public services to our city. Paying human services workers fairly, at a rate that recognizes their contributions, is not only long overdue but is also necessary to enable an equitable, just, and appropriately resourced human services sector that is responsive to the needs of New Yorkers. Yet today, human services workers earn 30% less than what government employees earn for the same role, and 22% of New York City human services workers were eligible for SNAP in 2021. This is unacceptable. Thus, FPWA has supported the Just Pay Campaign's ask at the state level to increase investment in all human services contracts by 7.8%, which would increase the amount of funding nonprofits have available for program costs and wages. To that end, we also urge the City Council to prioritize the needs of human services workers in the FY26 New York City Budget.

Conclusion

Making these investments outlined in our testimony would put New York on a path to ensuring economic security for all. Economic security means much more than simply meeting basic needs—it requires providing individuals and families with the resources and supports that shield them from having to make unconscionable tradeoffs, such as choosing between paying for groceries or covering rent, between purchasing school supplies or maintaining health insurance. Economic security also means that individuals and families have the ability to save, plan for the future, and pursue long-term goals. Making this a reality for all New Yorkers requires sustained investment in these critical supports, rather than one-off measures, and a strong, ongoing commitment from both the city and state to prioritize the needs of low-income New Yorkers over those of the wealthy. We thank you for your time and attention to these critical issues, and FPWA looks forward to working with you to make meaningful investments in the economic security of New Yorkers in this year's budget.