



HUMAN SERVICES



The Executive Budget supports a bold new approach to ensuring everyone has access to housing by empowering localities to achieve a goal of creating 800,000 new homes over the next 10 years. The Budget makes it easier for families to access child care, provides support to the child care workforce, and engages the business community in new ways to build child care supply. The Budget also supports New York City's efforts to provide support services and assistance to migrants and enhances programs that are a lifeline for vulnerable New Yorkers, bolstering social and economic justice and opening doors to opportunity.

NEW YORK'S HUMAN SERVICES

New York's human services provide holistic support across a variety of program areas designed to ensure the safety and well-being of the State's most vulnerable residents, advance housing stability, connect families to child care, provide Unemployment Insurance benefits, safeguard workers' rights, and support New York's veterans and their families.

OFFICES AND PROGRAMS

The Office of Temporary and Disability Assistance (OTDA) and the Office of Children and Family Services (OCFS) oversee programs that support and provide financial assistance to elderly and disabled persons who are unable to work; services for public assistance recipients to prepare for and secure employment; child support enforcement; child care subsidies to assist low-income working families; protective services for children and adults; and services for at-risk youth in communities, local detention centers, and State operated facilities.

Homes and Community Renewal (HCR) preserves and creates affordable housing while promoting community development. The Office of National and Community Service (NCS) supports community service grants that provide public health services, youth education, assistance to individuals with disabilities, and disaster preparedness.

The Department of Labor (DOL) protects workers, operates the State's Unemployment Insurance

System, and promotes workforce development. The Division of Human Rights (DHR) protects civil rights in the areas of employment, housing, public accommodations, education, and credit.

The Department of Veterans' Services (DVS) connects veterans, members of the armed forces, and their families to the economic, medical, and social benefits and services they've earned through active-duty military service.

EXPANDING ACCESS TO HOUSING, CHILD CARE, AND OPPORTUNITY

HOUSING

New York State is currently facing a severe housing crisis, with more than half of New York renters paying more than 30 percent of their income on rent – the second-highest rate in the nation. In the New York City metro area, rents have risen 30 percent since 2015 and home prices have risen 50 percent over the same period. Outside of New York City, renting costs have risen 40 to 60 percent since 2015 while home prices have risen 50 to 80 percent.

At the most fundamental level, the housing crisis reflects that more people wish to live in New York than there are homes. New York's strong economy also contributes, as the State created more than 1.2 million jobs in the past decade. By contrast, in that same time frame, only 400,000 new homes were built. The single most important thing New York can do to alleviate the housing crisis is to create more homes.

The FY 2023 Enacted Budget set in motion Governor Hochul's \$25 billion, five-year Housing Plan to create and preserve 100,000 affordable homes, including 10,000 homes with support services for vulnerable populations, and electrify an additional 50,000 homes. Funding includes \$5.7 billion in capital resources, \$8.8 billion in State and Federal tax credits and other Federal allocations, and \$11 billion to support the operation of shelters and supportive housing units and to provide rental subsidies.

This investment represents the largest, broadest housing plan in New York State history, but it alone cannot solve the crisis. To ensure that all New Yorkers

have access to housing requires the partnership of the private and public sectors, and cooperation of all levels of government in every region and community across the State. The FY 2024 Executive Budget launches a framework to empower localities to achieve a bold goal of creating 800,000 new homes over the next 10 years.

800,000 NEW HOMES OVER THE NEXT 10 YEARS



CHILD CARE

Similar to the burdens brought by the high cost of housing, many New York families struggle to find affordable child care options. Worse, in many parts of the State, there is simply no child care available. When affordable child care is unavailable, women leave the workforce at a disproportionate rate while families, for whom not working is not an option, are left to navigate a fragile, patchwork system.

In FY 2023, the Budget enacted historic public investments to overhaul the child care system. This included a four-year, \$7 billion commitment to improving the Child Care Assistance Program (CCAP), expanding income eligibility to more than half of all young children in New York. The Budget also increased State reimbursement rates to providers to expand the number of programs from which families can choose and invested \$50 million to establish a child care capital program. To bolster and stabilize the industry, the Budget provided \$343 million to child care providers and to help support the child care workforce. The Budget also invested \$15.6 million to expand child care at SUNY and CUNY campuses.

The FY 2024 Executive Budget builds on these successes through a sweeping plan to make New York's child care system fairer, more affordable, and easier to access.

OPPORTUNITY

Finally, as the pandemic made plain the importance of always ensuring that residents' basic needs are met, ongoing efforts by the human services agencies to make lives less precarious were redoubled. Progress continues on a slate of critical programs and policies that are providing social and economic justice and opening doors to opportunity.

PROPOSED FY 2024 BUDGET ACTIONS

Build 800,000 New Homes: The New York Housing Compact. As a result of housing production failing to keep pace with demand, rents are at record highs, home prices are out of reach, homeless shelters are under strain, workers are moving to more affordable states, and young families are shut out of many communities. To address this imbalance, the Budget advances legislation to expand the State's housing supply, as follows.

- **Promote New Housing Statewide through Local Targets.** The Budget requires all cities, towns, and villages to achieve new home creation targets on a three-year cycle. Localities that do not meet targets can instead implement "Preferred Actions" that create zoning capacity to achieve the growth targets. The Housing Compact honors the diversity in size and character of different communities by empowering local officials to achieve housing goals in ways that work for them.
- **Facilitate Housing Approval When Localities Do Not Meet Goals.** As every community in New York has a role in solving the housing crisis, localities that do not meet growth targets or that fail to implement an action plan will be considered non-compliant and will be required to approve proposed housing developments that meet certain affordability criteria within a set time frame, or the developer can initiate a fast-track appeal to a new State Housing Approval Board or through the courts.
- **Collect Local Zoning and Housing Production Data.** Legislation submitted with the Budget will require localities to submit housing creation and zoning data to HCR, who will aggregate this information into a Statewide Data Collection

mapping system. This system will better inform future decision-making, leading to smart, sustainable growth in the statewide housing stock, linking more New Yorkers to their permanent home.

- **Support Housing Production through Planning and Infrastructure Grants.** The Budget makes available a \$250 million Infrastructure Support Fund and a \$20 million Planning Assistance Fund to support new housing production statewide. Municipalities may submit requests for planning funding to undertake required zoning actions, supported by a new Housing Planning Office within HCR. Infrastructure grants will aid projects triggered by plans for increased housing, such as sewer and water infrastructure, structured parking facilities that allow existing lots to be repurposed, potential school infrastructure needs, and improvements to accommodate neighborhood growth and livability.
- **Encourage Transit-Oriented Development.** Following unprecedented State investments in rail infrastructure, and to capture climate benefits

and promote dynamic, walkable neighborhoods, legislation submitted with the Budget will compel neighborhoods within half a mile of all rail stations run by the MTA to rezone for higher density multifamily development.

- **Remove Obstacles to Housing Approvals.** To expedite rezoning and development of new homes, and as a reflection of the clear environmental and community benefits associated with targeting smart growth around low-emissions transit systems and within existing communities, legislation submitted with the Budget provides specific relief from environmental review for housing built in alignment with the Housing Compact's new homes targets.
- **Provide New York City with Tools to Increase Housing.** The Budget puts forth several housing proposals specific to New York City to address the outsized impact of the housing crisis in the five boroughs. This includes legislation to reverse an antiquated state law that restricts maximum density of residential floor area, providing New



Governor Hochul breaks ground on 2,400 affordable homes in Brooklyn, NY.

York City with the ability to allow for denser residential development where officials deem appropriate. The Budget includes legislation to expand the universe of commercial buildings eligible for conversion to residential use and provide necessary regulatory relief, making an estimated additional 130 million square feet newly eligible for conversion. To encourage the creation of new affordable housing units in such conversions that would otherwise not be economically feasible, the Budget proposes a new tax incentive. Building on the Governor's \$25 billion housing plan, enacted in FY 2023, which set aside \$85 million to assist with basement conversions, legislation submitted with the Budget grants the City of New York the authority to legalize basement units that meet the City's health and safety standards.

- **Encourage Housing Construction and Rehabilitation.** In addition to the tax exemption described above for New York City to incentivize the inclusion of affordable housing in commercial buildings that are converted to residential use, the Budget includes legislation for additional tax incentives to encourage new housing construction and the rehabilitation of existing housing. These measures include:
 - Accessory Dwelling Units (ADUs): To support homeowners that build ADUs, an existing property tax exemption available at local option is expanded to explicitly cover ADUs and the time frame to incentivize their development is extended.
 - Multi-Family Affordable Housing: To encourage multi-family affordable housing development, a new local option property tax exemption is created.
 - Repairs: To assist New York City property owners who need support undertaking major capital repairs, a local tax exemption is updated and strengthened.
- **Strengthen New York's Existing Housing Supply.** The Budget also increases the State's supply of safe, stable, comfortable homes through improvements to existing stock. Legislation submitted with the Budget will

reduce lead exposure risk in rental housing. Local governments will also be empowered to declare certain vacant residential properties as abandoned if they constitute a serious public nuisance, enabling the ability to put such houses to good use.

- **Support Existing Renters and Homeowners.** In addition to proposals that will build new homes, the Budget includes two new proposals to address the impacts of the housing crisis on current New York renters and homeowners. Modeled on the current program supporting East Buffalo, the Homeowner Stabilization Fund will finance home repairs in communities, statewide, that have been identified as having high levels of low-income homeowners of color and homeowner distress. The Budget also supports the expansion of the State's Tenant Protection Unit, which provides guidance, advocacy, and legal assistance for tenants, enabling the Unit to expand outside of New York City.

Help Renters Transition to a Post-Pandemic World. The COVID-19 pandemic exposed the fragile connection many New Yorkers have to equitable housing, and the State administered programs that helped keep people in their homes and stave off financial ruin. The FY 2024 Executive Budget includes appropriation authority in case the Federal government reallocates additional Federal funds to New York's Emergency Rental Assistance Program (ERAP). Through 2022, ERAP has provided more than \$3 billion in housing and utility support for struggling New Yorkers. Additionally, OTDA continues to make payments through State-funded programs totaling \$250 million for renters who do not meet the income criteria of ERAP as well as landlords whose tenants have left their rental property or who are unwilling to apply for ERAP.

Extend the Completion Deadline for Vested 421-a Projects. Legislation submitted with the budget seeks to encourage completion of affordable housing units in New York City that are vested in the 421-a program. Under current law, in order for a vested project to be eligible for a 421-a tax abatement, it must be completed by June 15, 2026. As the pandemic impacted construction schedules, this bill extends the completion deadline by four years.

Bolster a Strong, Equitable Child Care System. The FY 2024 Executive Budget builds on the historic investments enacted in FY 2023 with a bold plan to make New York’s child care system fairer, more affordable, and easier to access.

- **Expand Access to Child Care.** After the FY 2023 Budget dramatically increased the number of families with access to child care assistance, the FY 2024 Executive Budget expands eligibility further by raising the income limit to the maximum allowed by Federal law – which is 85 percent of New York’s median income, or approximately \$93,200 per year for a family of four. As a result, the families of an estimated 113,000 more children will become newly eligible for child care assistance.
- **Streamline and Centralize the Child Care Application Process.** The Budget improves child care accessibility through a statewide electronic solution allowing families to pre-screen for eligibility and apply for child care assistance, removing redundant processes and unnecessary reporting requirements placed on families. In addition, the Budget eliminates a redundancy requiring families that participate in programs, such as the Supplemental Nutrition Assistance Program, the Home Energy Assistance Program, Medicaid, and the Special Supplemental Nutrition Program for Women, Infants, and Children to prove that they are income-eligible for the Child Care Assistance Program. As a result of these changes, an estimated 83,400 children in already-eligible families will have easier access to the Child Care Assistance Program.
- **Standardize Eligibility.** Local districts who administer child care assistance each set their own eligibility criteria which creates an inconsistency in access across the State. The Budget allows OCFS to set standardized statewide eligibility criteria to eliminate these disparities. As part of this effort, the Budget standardizes the number of allowable absences at 80 for all districts, and caps co-payments at one percent of family income above the poverty level. Approximately half of the districts already cap co-payments at one percent of family income,

but in other districts, co-payments can be as high as ten percent of family income. By capping co-payments at one percent of family income, an estimated 10 percent of families in the Child Care Assistance Program will see a reduction in child care costs.

- **Encourage Space for Child Care.** Child care providers often struggle to afford high rent and compete for space in a market that is limited by strict but important safety rules. Building off an unprecedented investment of \$100 million to increase the capacity of programs in child care deserts, the State will take further action to ensure child care facilities are integrated into the fabric of our communities. HCR will expressly favor applications for its Low-Income Housing Tax Credit that incorporate child care facility space.
- **Support the Child Care Workforce.** The Budget directs unspent Federal funds to establish a new Workforce Retention Grant Program to provide payments to child care providers at 17,000 programs statewide. Grants will also be used to cover payroll tax assistance and support staff recruitment strategies and other expenses related to hiring new staff.
- **Create an Employer-Supported Child Care Pilot Program.** To better address affordability for families that are ineligible for CCAP, and to harness partnerships with employers looking to invest in their workforce, the Budget establishes the New York State Employer-Supported Child Care (ESCC) pilot program. In the ESCC pilot, employers will contribute a third of the cost of care for families between 85 percent and 100 percent of the State median income, and the State will match it, reducing out-of-pocket costs for these families and generating millions of dollars in new financial support for child care. The Budget provides \$4.8 million to launch this pilot program, which will operate in three regions of the State, with local facilitators working to coordinate businesses, families, and child care providers.
- **Incentivize Employer-Based Child Care Models.** The preexisting Federal and State employer-

provided child care credits have not been widely utilized by employers due to limitations on eligible expenses and other restrictions. The Budget creates a more flexible statewide, two-year business income tax credit for businesses that create or expand child care access for their employees. The proposal aligns with a similar New York City business income tax credit, allowing for city-level and state-level outcomes to be evaluated at the same time.

- **Create a Business Navigator Program.** The Budget establishes a Business Navigator program in each of the 10 Regional Economic Development Council regions to help interested businesses identify options to support employees' child care needs.

Provide Support for Migrant Services and Assistance. The FY 2024 Executive Budget recognizes the effort of governments at all levels to provide services and assist with the resettlement process by providing more than \$1 billion in extraordinary funding. The Budget creates a framework for the financial burden of such services to be evenly split between the levels of government: 1/3 New York City, 1/3 State, and 1/3 Federal. This includes the State reimbursing a share of shelter and Humanitarian Emergency Response and Relief Center costs, continuing the National Guard deployment, and funding health care needs.

Index the Minimum Wage to Inflation. The Executive Budget proposes automatically increasing the minimum wage, consistent with the year-over-year Consumer Price Index-W for the Northeast Region. To ensure that no single-year's increase would threaten employment, annual increases would be capped, and increases could be paused in the event of certain economic conditions.

Create the Office of Just Energy Transition. The Executive Budget creates and funds operations of an office which will support both conventional energy workers and communities burdened by fossil fuel infrastructure as they navigate the transition to a clean energy economy in the coming years.

Support Hate and Bias Prevention Activities. The Executive Budget adds \$3.5 million for staffing, trainings, conferences, toolkits, and other educational, public awareness, and outreach efforts to combat hate and bias incidents.

Support Investigations of Discrimination. Coverage under the Human Rights Law has expanded, and caseloads have increased in recent years. The Executive Budget invests an additional \$4.3 million to support DHR's efforts in protecting New Yorkers from unlawful discrimination based on their protected class status. Funding for DHR has more than doubled in just two years.

Provide a Human Services Cost of Living Adjustment. Funding is included to provide a 2.5 percent cost of living adjustment to applicable OCFS and OTDA programs, including Foster Care, Adoption, NY/NY III Supportive Housing Agreement, and the Nutrition Outreach and Education Program.

Invest in Preventive and Permanency Placement Services. The Budget invests \$7 million for both preventive and permanency placement services for foster families, adoptive families, and kinship families.

Support Foster Care Agencies. The Budget includes \$17 million in financial support to assist certain foster care providers with new Federal requirements as they relate to Institutions for Mental Disease (IMD). Funds will be used to hire necessary medical staff at foster care facilities, back-fill Medicaid reimbursement for voluntary agencies who provide medical care to Medicaid eligible youth, and assist voluntary agencies in transitioning to the Federal requirements.

Invest in State Youth Facilities. The Budget includes \$16 million in additional capital funding to renovate and maintain vital infrastructure at OCFS youth facilities. This investment is aimed at providing quality space and resources, while ensuring the safety and security of the youth living in the facility.

Consolidate Afterschool Program Funding in OCFS. The Executive Budget moves funding for the Empire State Afterschool and Advantage Afterschool programs to the Office of Children and Family Services, which already administers the programs.

This is the first step in developing a consolidated afterschool program in FY 2025 to replace two programs with different requirements and funding levels. This will result in a better program with a single set of parameters and eligibility making it easier and more straight forward for providers.

Increase Public Assistance Recipients' Access to Education and Training Opportunities. The Executive Budget proposes changes to Public Assistance (PA) to increase the economic stability and outlook of recipients by providing increased access to education and training opportunities by eliminating the requirement for education to be combined with other activities after 12 months of post-secondary education. Additionally, the Budget authorizes the disregard of all earned income of a PA recipient from participating in a qualified work activity or training program when calculating their PA benefit.

Provide Assistance to Victims of Public Assistance Fraud. The Budget provides assistance to PA recipients who have had benefits stolen as a result of card skimming, cloning, third party misrepresentation or other similar fraudulent activities.

Increase Support for Code Blue. The Executive Budget increases State funding for the Code Blue program by \$7 million to support local districts in their protection of homeless individuals from exposure-related conditions during inclement winter weather and will simplify the approval process for these critical investments.

Provide Year-Round Employment Opportunities for Youth. The Executive Budget builds upon the success of the existing Summer Youth Employment Program (SYEP), which provides work opportunities for low-income youth during the summer months, by creating a new Youth Opportunities Program to provide these employment opportunities during the remaining months of the year. The Budget includes \$18 million in new State funding in FY 2024, annualizing to \$37 million, to provide for year-round part-time employment opportunities for an estimated 2,500 youth in regions around New York. The Budget also increases funding for the Summer Youth Employment Program by \$1 million, to \$47.1 million.

Establish Mobile Veterans' Services Centers. The Budget includes \$300,000 for the first-ever fleet of Mobile Veterans' Services Centers, bringing accredited Veterans Benefits Advisors and their best-in-class technologies on the road to meet New York's veterans, service members, and military families where they live and work.

Invest in Homeless Veterans' Housing. The Budget includes \$1.1 million to support the Homeless Veterans' Housing program which will be used for veterans' emergency housing, to provide temporary shelter, repair homes damaged by disasters, and renovate homes to house veterans with disabilities, among other uses.

Create Veterans' Memorial Registry. Funding of \$500,000 is included to create a searchable database of all veteran memorials in the State that will include information on the location of a memorial and who or what veteran or battle the memorial is honoring.

Modernize and Streamline the State's Training and Employment Infrastructure. The Budget supports the transformation of DOL Career Centers into "Community Training and Career Centers," with additional professional skills trainers that provide unemployed and underemployed New Yorkers with no-cost training in high-need areas such as digital and financial literacy and entrepreneurship. This will be paired with a new, large-scale, on-the-job training program administered by DOL to upskill 3,000 workers each year, focusing on high-demand industries and hard-to-fill job titles.

Direct Federal Resources to Child Welfare Services. New York State receives annual Federal Title XX funding that is allocated to counties, including \$26 million which counties can use at their discretion to fund certain services. The Budget directs this funding from the Social Services Block Grant towards expenses for child welfare services. This will help the State pay for vital protective and preventive services for children and families.

Continue Re-aligned Fiscal Responsibility for Committee on Special Education Placements. The room and board costs for children with severe disabilities placed by Committees on Special

Education are shared between local social services districts and school districts. There is no State share for New York City placements, and the former 18.42 percent State share for placements outside of New York City was eliminated for one year in the FY 2021, FY 2022, and FY 2023 Enacted Budgets. For statewide consistency, the Executive Budget makes the current funding structures permanent, thereby aligning the fiscal responsibility with the school district responsible for the placement.

Enhance Funding for the Office of New Americans, Liberty Defense Program, and Migrant Refugee Response Legal Assistance. The Executive Budget includes \$43 million in funding, a \$23 million increase from FY 2023, to sustain and enhance programs administered by the Department of State that oversee a network of community providers that help immigrant New Yorkers navigate processes associated with citizenship applications, legal services, and workforce development, among other things. Additionally, the funds will help support retraining programs for immigrant engineers.

Protect New Yorkers from Predatory Banking Fees. The Executive Budget includes nation-leading legislation that comprehensively addresses abusive bank fee practices, which tend to disproportionately harm low- and moderate-income New Yorkers, including stopping the opportunistic sequencing of transactions in a way designed to maximize fees charged to consumers, ending other unfair overdraft and non-sufficient funds fee practices, and ensuring clear disclosures and alerts of any permissible bank processing charges.

SUMMARY OF ALL FUNDS SPENDING				
CATEGORY	FY 2023 (MILLIONS OF DOLLARS)	FY 2024 (MILLIONS OF DOLLARS)	Dollar Change (MILLIONS OF DOLLARS)	PERCENT CHANGE (%)
OTDA	7,416	6,682	(734)	(9.9)
OCFS	4,681	3,643	(1,038)	(22.2)
DOL	777	656	(121)	(15.6)
HCR	2,058	1,846	(212)	(10.3)
DVS	19	25	5	28.8
NCS	18	18	0.3	1.8
DHR	18	25	8	43.5
TOTAL	14,986	12,894	(2,091)	-14.0%

Note: The significant decreases are attributable to the expiration of pandemic-related Federal funding.