

## NYS Budget FY 2022: Preserve Essential Services that Keep Children Safe and Strengthen Families and Communities

Despite the increasing need to ensure children, youth and families have access to critical preventive services, the Executive Budget proposes to cut funding for the very services that support positive outcomes for children, youth and families. These cuts are proposed despite 325,000 children and youth newly at or near the poverty level as a result of the pandemic, and 4,200 children losing their parent or caregiver during the pandemic.<sup>1</sup> New York State cannot balance the budget by cutting services for the most vulnerable children, youth and families and must instead ensure that resources are in place to strengthen families and build strong foundations for children and youth.

## **Reject Executive Budget Proposal to Cut NYS Child Welfare Services Funding**

The Executive Budget proposes to cut the State funding share of New York State's child welfare services by 5%, or approximately \$30 million. This funding stream includes child protective services (CPS) – investigations into claims of abuse and neglect – and preventive services designed to strengthen families and keep children safely at home whenever possible, as well as independent living, aftercare and adoption administration. New York State is foremost in the country in providing this open-ended investment in prevention services, and it has worked: New York's foster care census decreased from more than 50,000 children in care in the 1990s, to approximately 16,000 children in care today. New York State previously cut the State funding share for protective and preventive services in 2008. That cut has never been restored.

We urge the Governor and the Legislature to ensure the final budget does not include a cut to NYS's reimbursement for child welfare services because this would jeopardize child safety and potentially increase foster care placements now – and in the future.

## **Reject Executive Budget Proposal to Cut NYS Foster Care Block Grant**

The Executive Budget proposes to cut the State funding share of New York State's Foster Care Block Grant by 3%, or \$11 million. The block grant provides reimbursement to counties for the state share of foster care costs, up to a certain amount per county. It also covers the costs of the Kinship Guardianship Assistance Program (KinGAP) that supports kin who step in to provide relative children a safe, permanent home when birth parents cannot. Federal and county dollars also support the costs.

We urge the Governor and the Legislature to ensure the final budget does not include a cut to NYS's Foster Care Block Grant, because this would represent a cost shift to the counties to pay more in foster care costs, reducing the amount of limited dollars that counties are able to invest in other social services including preventive services.

<sup>&</sup>lt;sup>1</sup> <u>https://uhfnyc.org/publications/publication/covid-19-ripple-effect-impact-covid-19-children-new-york-state/</u>



## Background: New York State's Child Welfare Financing Structure

New York State's child welfare financing structure, in place since 2002, incentivizes practices keeping children out of foster care by capping foster care reimbursement while reimbursing counties 62%, uncapped, of the costs for protective and preventive services to support families. New York State has had great success in lowering the number of children in foster care with this financing structure, making significant investments in services and supports that keep more children home with their families.

• The Child Welfare funding stream is currently open-ended with 62% State reimbursement for the services the State incentivizes. The Executive Budget proposal would cut funding, thus eliminating the incentive for counties to invest in the services that produce positive outcomes, such as investing in community-based evidence and trauma-informed services to keep children and families safe and together.

<u>State funding cuts history</u>: Since 2008, NYS has invested less than its statutory obligation of 65% state reimbursement to counties; instead, **each year the state has only reimbursed 62% to counties**.

- The Foster Care Block Grant provides capped amounts of state funding to counties for the counties' foster care costs.
  <u>State funding cuts history</u>: in state fiscal year 2017-18, NYS cut \$39 million from the Foster Care Block Grant statewide, in the final budget. These cuts have never been restored.
- The New York State child welfare financing structure has been proven to work and must be preserved.
  - In 1995, Governor Pataki block granted all child welfare financing, and foster care numbers subsequently increased while prevention decreased.
  - In 2002, the State created the current scheme in which foster care is block granted and all other services have open-ended reimbursement. It has worked; the foster care census has plummeted and prevention numbers are up. A 2006 OCFS report documented its success. The number of children in foster care has plummeted since the financing structure has been in place. A reduction in this state reimbursement could have extremely harmful results for our children and families.

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