

Why Washington Matters:

Federal Spending is Crucial to New York Children and Families



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Table of Contents

I. Introduction	1
II. Importance of Federal Funding for City Agencies Serving Children and Families	5
III. Sources and Destinations of Federal Funds in the City Budget	7
IV. NYC Human Services Programs Most Vulnerable to Federal Budget Cuts	11
V. Conclusion	17
Appendix A: List of Program Areas Included in This Report	19
Appendix B: Key Proposed Changes to Social Services and Related Programs in President Trump's 2019 Budget	21

Figures

Figure 1: Federal Categorical Social Services Funding to NYC	1
Figure 2: The Importance of Federal Funding for the Major City Agencies Serving Children Families and Low-Income Communities, FY2018	5
Figure 3: Contractual Services Spending by Select City Agencies, FY2018	6
Figure 4: 15 Federal Funding Sources Providing Most Funding to Select Agencies	7
Figure 5: 20 Programs Receiving Highest Amount of Federal Funding	9
Figure 6: 20 Programs with Highest Percent Federal Funding	10
Figure 7: 10 Programs Receiving the Most SSBG Funding	12
Figure 8: 5 Programs Receiving the Most SNAP Funding	13
Figure 9: 10 Programs Receiving the Most TANF Funding	15
Figure 10: Federal and State Categorical Social Services Funding to NYC	17

Section I:

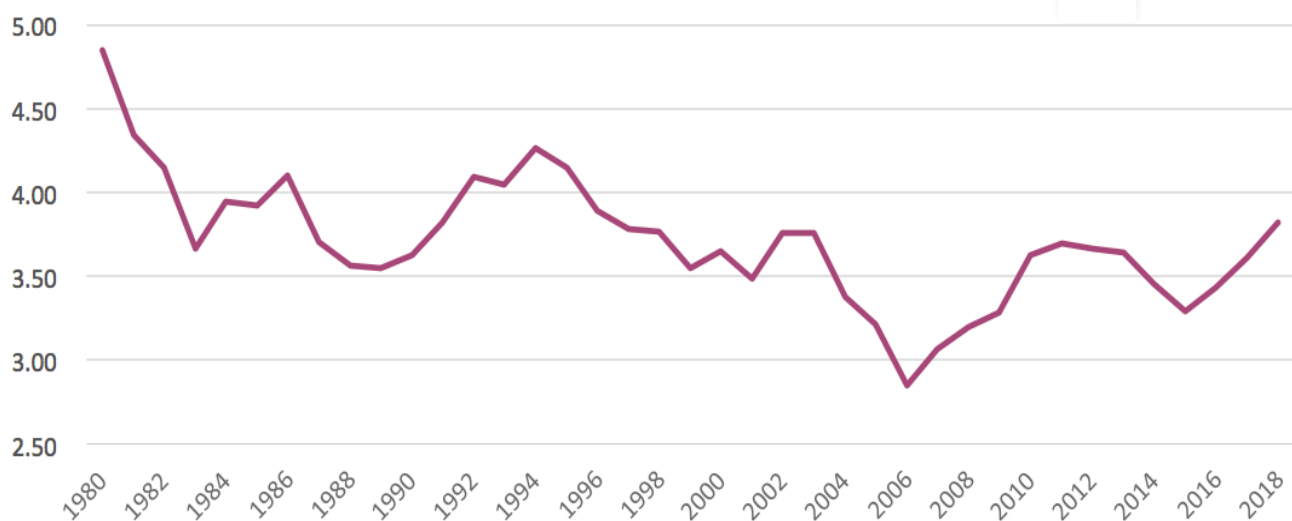
Introduction

The federal government provides significant funding to localities, including New York City, which is targeted primarily to support children, families, and low-income communities. This support happens through a combination of direct benefits for individuals and families – social safety net programs such as Medicare, Social Security, Medicaid, and the Supplemental Nutrition Assistance Program (SNAP) – and social services categorical funding, which flows through the City budget to help provide services to individuals and families. Some federal funding streams, such as Temporary Assistance to Needy Families (TANF), provide both kinds of funding – direct benefits to families as well as programmatic funding to states and localities.

In 2016 (the latest year for which data are available), social safety net funding flowing into New York City totaled \$88.4 billion, nearly one-sixth (16.1 percent) of city residents' total personal income, according to the federal Bureau of Economic Analysis. As mentioned above, this funding primarily goes directly to individuals and families. Some major safety net programs primarily help children. For example, 60 percent of all New York City children – nearly 1.1 million kids – are covered by Medicaid or Child Health Plus and half of all children are in families that benefit from the federal Earned Income Tax Credit.

In the Fiscal Year (FY) 2018 City budget, federal categorical grants totaled \$9 billion (10 percent of the total City budget). Of that \$9 billion, \$3.8 billion was earmarked for social services. Constant dollar federal funding for social services fell by about 25 percent during the 1980s, but since 1990 has fluctuated around the \$3.6 billion level, with funding slightly higher in the early 1990s and somewhat below that level in the mid-2000s. (See Figure 1).

Figure 1: Federal Categorical Social Services Funding to NYC, constant \$2018 (billions)



Source: New York City Independent Budget Office, data compiled from Comprehensive Annual Financial Reports, re-stated by CNYCA in 2018 constant dollars.

In this report, we examine the federal funding provided to New York City and its importance to the budgets of five City agencies serving children, families, and low-income communities: the Administration for

Children's Services (ACS) and the Departments of Social Services (DSS, also called the Human Resources Administration), Homeless Services (DHS), Youth and Community Development (DYCD), and Health and Mental Health (DOHMH).¹ These agencies contract with nearly 4,000 local service providers to deliver child welfare services, child care, job training, emergency shelter, transitional housing, youth programming, health care, and a variety of other services. We reflect on the possible impact that cuts to federal social services spending, of the magnitude that have been proposed in recent years, could have on the City budget and on these contracted providers.

Our deep dive into the adopted City budget for FY 2018 has led to five key findings:

1. Taken together, the five City agencies examined for this report received \$3.2 billion in federal funding in FY 2018, which accounted for nearly 30 percent of their budgets. Because these agencies contracted out more than \$5.5 billion (including funds from federal grants as well as State and City funds) in FY 2018, much of it to community-based organizations (CBOs) that provide direct services to the community, the possibility of cuts to federal social services spending has significant implications for both the City and CBOs in terms of their ability to continue providing the current level of services.
2. Federal social services categorical funding that flows through the City budget disproportionately funds services for children, in program areas like family homeless shelter operations (\$665.8 million in federal funding) and child care services through both the Child Care and Development Block Grant (\$500.8 million) and Head Start (\$128.6 million).
3. Though some of the City's program areas with the largest budgets receive significant amounts of federal funding, there are several smaller program areas that rely almost entirely on federal funding. These include the Home Energy Assistance Program, which helps low-income households pay their heating bills (99.3 percent federally funded) and two DYCD programs for youth (both more than 95 percent federally funded), as well as Head Start (72 percent federally funded). Notably, the four programs just mentioned rely predominately on discretionary funds, which unlike mandatory funds must be appropriated by Congress each year and are thus easier to cut.²
4. President Donald Trump and Congressional Republicans have proposed deep cuts to many social safety net and social service programs, including SNAP, TANF, and the Social Services Block Grant (SSBG). President Trump has recently proposed a public charge rule change which would consider immigrants' use of public assistance in their eligibility for permanent status, and have the effect of discouraging many immigrants from accessing human services. Congressional Republicans have also recently used the growing deficit caused by the 2017 tax cut bill as rhetorical justification for cuts to social services spending. Regardless of whether or not these particular recent moves result in cuts now, the tactics that underlie them are likely to continue resurfacing in budget battles to come.

¹ For this report, we examined a subset of DOHMH programs that primarily serve children. For a list of programs included, see Appendix A.

² Mandatory funding is funding mandated by law, including things like Social Security and Medicare. Changing the funding level for these programs would require new legislative action. Discretionary funding, on the other hand, must have its funding renewed each year through the annual budgeting process.

5. The midterm elections for the State Legislature also offer an opportunity to revisit the role of State social services funding to the City, which has declined by nearly 26 percent since 2010 (while federal aid has risen slightly more than five percent during that time).

The persistent possibility of cuts to federal safety net and social services funding raises acute concerns for nonprofits under contract with the City that provide a range of services to children. There has been considerable attention in recent years to the fact that nonprofit human services providers have been chronically underfunded for the public services they provide. These organizations are unlikely to be able to pick up the slack through other funding sources if federal budget cuts lead to reduced funding in their City contracts.³

The possibility of federal budget cuts, most immediately during the current post-election lame duck Congressional session, is not just about numbers in a spreadsheet. Research by the Center for New York City Affairs on homelessness, child welfare, New York City public school education, and other issues often brings us into contact with the children who benefit from the programs discussed in this report. These are children for whom City programs play key roles in their formative years, providing access to resources and support that can make huge differences in their health, safety, and prospects for successful adult lives. See the sidebar, “Real Families Depend on Federally Funded Social Service Programs,” for some of their stories.

This report is organized in the following fashion. Section II below presents a high-level summary of the critical importance of federal funding in the budgets of the five City agencies examined for this report.⁴

Section III discusses the specific federal funding sources for various social services and the reliance of those program areas on these funding sources. This section examines where federal funding for children’s programs comes from and where it goes within the City budget. It identifies programs that are heavily reliant on federal funds and thus would be particularly harmed by cuts.

Section IV provides a more detailed look at the importance of federal funding to specific social service program areas vulnerable to proposed changes in the federal Farm Bill, TANF, and the SSBG. The section also provides program-specific data regarding the dependence on federal funding that is at risk given the President’s oft-stated priorities for slashing domestic spending.⁵

A concluding section reflects on the outlook for a new Congress in the face of the deficit created by the Tax Cut and Jobs Act of 2017, and suggests the growing importance of federal funding relative to declining support from the State as an area for future research.

3 See, e.g., Human Services Council, *New York Nonprofits in the Aftermath of FEGS: A Call to Action*, February 2016; Fiscal Policy Institute, *FPWA and Human Services Council, Undervalued & Underpaid, How New York State Shortchanges Nonprofit Human Services Providers and their Workers*, March 2017; and Allison Sesso and Jina Paik, “Nonprofits are still subsidizing crucial government services,” op-ed, *Crain’s New York Business*, June 27, 2018.

4 The Department for the Aging (DFTA) is not included here because it primarily serves seniors, although we recognize the crucial role that many grandparents and other seniors play in caring for New York City’s children. DFTA FY 2019 federal funding of \$72.3 million is less than 20 percent of its overall budget. While the public elementary and secondary education systems receive nearly \$2 billion annually in federal funding for a number of vital programs geared to students with special needs and those from low-income families, only about 15 percent of Department of Education funding is federal with the overwhelming bulk of schools funding coming from the City and the State. We therefore do not include DOE in the analyses in this report.

5 FPWA, a leading anti-poverty policy and advocacy organization, is launching an interactive digital tool early next year with detailed data on federal funding for New York City human services. The digital tool will provide users with data and information and connect them to members of Congress.

Real Families Depend on Federally Funded Social Service Programs

One New York City child who has relied on social services that receive federal funding is 2-year-old Eli, who spent a year in a family homeless shelter with his mother, father, and infant sister.¹ While the shelter was by no means an ideal home, it allowed his family to remain together, which they would not have been able to do otherwise. For Eli's family, that shelter was a stopping-over point on the way to being assigned public housing in East Harlem and achieving more stable footing. Family shelters rely significantly on federal funding to maintain their operations. On an average day in Fiscal Year 2018, family homeless shelters in New York City were housing 12,619 families with children.²

There's also 14-year-old Latanya, who was also living in a family shelter with her siblings and her mother, who had recently suffered a spinal injury.³ Child welfare workers in the City's Administration for Children's Services (ACS) brought Latanya's mother to Family Court after receiving a report that Latanya had missed more than 90 days of school. ACS was able to refer Latanya's family to an intensive evidence-based preventive program designed specifically for teens. In her mother's words, that program was like a "life raft." ACS relies on federal funding for preventive child welfare services to be able to provide such specialized programs. In Fiscal Year 2018, 43,874 children received preventive services, including in the 1,175 families that entered teen-specialized preventive services managed by ACS.⁴

And then there are the kids at Represent, a magazine by and for teens in foster care. Represent offers a place for teens in foster care to go after school, and also a place where they can share their stories and build a community that may be more stable than their home lives. These teens write about "abandonment, neglect, fights, rape, abuse, suicide attempts."⁵ They write about how after-school programs saved them from loneliness and neglect. Represent and other programs for in-school and out-of-school youth also depend on federal funding to do their work. In Fiscal Year 2018, 337,199 youth participated in programs funded by DYCD.⁶

1 We shared Eli's story in a 2017 report, "Adrift in NYC: Family Homelessness and the Struggle to Stay Together," available at <http://www.centrernyc.org/adrift-family-homelessness/?rq=adrift%20in%20nyc>

2 From the Fiscal 2018 Mayor's Management Report, available at <https://www1.nyc.gov/site/operations/performance/mmr.page>

3 We shared Latanya's story in a 2017 report, "Keeping Teenagers out of Foster Care: Do Teen-Specialized Services Make a Difference?," available at <http://www.centrernyc.org/keeping-teens-out-of-foster-care/?rq=keeping%20teenagers%20out%20of%20foster%20care>

4 From the Fiscal 2018 Mayor's Management Report, available at <https://www1.nyc.gov/site/operations/performance/mmr.page>

5 Virginia Vitzthum shared about Represent in a 2017 Urban Matters, "Will Programs That Help Vulnerable Teens Survive the Trump Administration?," available at <http://www.centrernyc.org/programs-vulnerable-teens>

6 From the Fiscal 2018 Mayor's Management Report, available at <https://www1.nyc.gov/site/operations/performance/mmr.page>

Section II:

Importance of Federal Funding for City Agencies Serving Children and Families

Taken together, the five agencies examined in this report receive federal funding that accounts for nearly 30 percent of their budgets. These agencies manage nearly \$3.2 billion in federal social services categorical aid that is critical to the services delivered by hundreds of human services nonprofits. As Figure 2 shows, the agencies' reliance on federal funding varies, from about 10 percent in the select DOHMH programs we examined to more than 40 percent at ACS and DSS. For the purposes of this report, with its focus on children and families, we have examined a subset of DOHMH program areas: Environmental Health-Day Care and the five areas of the Family and Child Health program (Early Intervention, Maternal and Child Health, Oral Health, School Health, and Administration). For the other four agencies, we have examined all program areas. For a full list of the program areas in each agency, see Appendix A.

Figure 2: The Importance of Federal Funding for the Major City Agencies Serving Children, Families, and Low-Income Communities, FY2018

Dollar figures in millions

Agency	Total Budget	Total Federal Funding	Federal Percent of Total
Administration for Children's Services (ACS)	\$3,148	\$1,283	41%
Department of Homeless Services (DHS)	\$2,250	\$771	34%
Department of Social Services (DSS)*	\$2,378	\$992	42%
Department of Youth and Community Development (DYCD)	\$837	\$94	11%
Department of Health and Mental Hygiene (DOHMH)**	\$449	\$43	10%
Total for these five agencies	\$9,063	\$3,184	28%

*Excludes from DSS budget the amounts for Medicaid and Public Assistance grants.

**This analysis only includes select DOHMH programs serving families and children. For a list of these selected programs, see Appendix A.

Source: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018 (data are for FY 2018)

As shown in Figure 3, these agencies all contract extensively with nonprofits to deliver a range of public services. For example, ACS contracts with nonprofits that provide foster care and preventive support services, among others; DHS contracts with nonprofit homeless shelter providers. In total, contractual spending channeled through nonprofits represents 61 percent of the budgets for the programs we examined.

This system of contracting means that City agencies serving families and children are not the only ones that would face budget constraints if cuts are made to federal spending. The nonprofits that provide the ser-

vices directly to clients through contracts with these agencies rely to a significant extent on these contracts to keep their programs going. They would be hard-pressed to replace those funds with philanthropic or other funding sources if significant federal budget cuts are made.

The next section digs deeper into exactly where the federal funds in the City's budget come from and which programs rely on them the most, to further clarify the picture of which program areas are most vulnerable to potential cuts.

Figure 3: Contractual Services Spending by Select City Agencies, FY2018

Dollar figures in millions

Agency	Total Budget	Contractual Services Spending
Administration for Children's Services (ACS)	\$3,148	\$1,969
Department of Homeless Services (DHS)	\$2,250	\$2,036
Department of Social Services (DSS)*	\$2,378	\$629
Department of Youth and Community Development (DYCD)	\$837	\$646
Department of Health and Mental Hygiene (DOHMH)**	\$449	\$284
Total for these five agencies	\$9,063	\$5,563

*Excludes from DSS budget the amounts for Medicaid and Public Assistance grants.

**This analysis only includes select DOHMH programs serving families and children. For a list of these selected programs, see Appendix A.

Note: The spending included in this figure is funded by federal, state, and city sources.

Source: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018 (data are for FY 2018)

Section III:

Sources and Destinations of Federal Funds in the City Budget

The sources of federal funding for City programs serving families and children are fairly concentrated. Of the \$3.2 billion in federal funding in the current fiscal year that flows into the 63 programs we examined for this report, 95.5 percent comes from the top 10 funding sources in Figure 4, and 98.6 percent comes from the top 15 sources.

These federal grants serve a range of program goals. Many of the funding sources in Figure 4 are primarily thought of as safety net programs, but also give some categorical funding to New York City to provide support services to the families receiving safety net benefits. This includes TANF, the Medical Assistance Program, and the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps. The Social Services Block Grant is a source of flexible funds that State and local governments can use in a variety of ways to fund supportive services such as child care, foster care, and services for people with disabilities.

Figure 4: 15 Federal Funding Sources Providing Most Funding to Select Agencies

Dollar figures in millions

Funding Source	Type of Funding	Total Funding to Select Agencies
1. Temporary Assistance for Needy Families (TANF)	Mandatory	\$1,862
2. Child Care and Development Block Grant	Discretionary	\$486
3. Title IV-E**	Mandatory	\$382
4. Medical Assistance Program	Mandatory	\$267
5. Supplemental Nutrition Assistance Program (SNAP)	Mixed	\$196
6. Social Services Block Grant (Title XX)	Mandatory	\$186
7. Head Start Grant	Discretionary	\$132
8. Child Support Administration	Mandatory	\$65
9. Low-Income Energy Assistance	Discretionary	\$36
10. Housing Opportunities for People with AIDS	Discretionary	\$35
11. Community Service Block Grant	Discretionary	\$34
12. Workforce Investment Act	Discretionary	\$25
13. Promoting Safe and Stable Families	Discretionary	\$22
14. Special Projects	Discretionary	\$19
15. Community Development Block Grants (CDBG)	Mandatory	\$19
Subtotal for these 15 funding sources		\$3,765

*The select agencies are the Administration for Children's Services (ACS), Department of Youth and Community Development (DYCD), Department of Social Services (DSS), Department of Health and Mental Health (DOHMH), and Department of Homeless Services (DHS).

**Title IV-E of the Social Security Act provides states and tribes funding to assist with foster care, adoption assistance, and transitions to independence for children with special needs.

Sources: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018 (data are for FY 2018); Congressional Budget Office Economic Outlook and Updates data

Many of the other top funding sources support programs serving children. The Child Care and Development Block Grant and Head Start Grant support quality early childhood care and education efforts. Title IV-E of the Social Security Act funds child welfare programs, including protective and preventive services as well as foster care and adoption assistance.

In addition to services to families and children, the smaller funding sources among the top 15 (9-15 in Figure 4) support services for a diverse array of people, including people with AIDS, people searching for work, vulnerable adults, and veterans.

One important distinction between these various funding streams is whether they are considered “mandatory” or “discretionary” spending. Mandatory spending is written into law; it is appropriated automatically from year to year unless there is a change to the law. Discretionary spending, on the other hand, must be renewed through annual appropriations. If Congress does not pass the appropriations bill for a discretionary program, that program’s funding is in jeopardy. A few funding sources include a mix of both discretionary and mandatory funds.

Programs funded by discretionary funding streams are particularly vulnerable to cuts. Of the funding streams listed in Figure 4, many of the largest are mandatory, with the notable exceptions of the Child Care and Development Block Grant and Head Start Grant. Some funding sources, however, most of them near the bottom of the list in Figure 4, are discretionary funds and more subject to the annual vagaries of the budgeting process.

Congress has attempted over the years to make changes to the federal budget process to make it simpler and more transparent and lead to better planning for the long-term fiscal health of the country. This includes, most recently, the formation of the Joint Select Committee on Budget and Appropriations Process Reform in early 2018. This bipartisan committee revived an often-discussed proposal of moving to biennial budgeting. Approving appropriations for two years rather than one, they argued, would give agencies more time to prepare their proposals and to respond to changes in allocations. After multiple delays in moving the bill to a full vote, however, in late November the committee abandoned its efforts, at least for the current congressional session.⁶

The funds from the federal grants in Figure 4 flow into agency budgets to support program areas that meet the goals of the grants – supporting low-income families, children, youth, families experiencing homelessness, etc. These program areas also receive funding from City, State, and other sources, so some of them rely on federal funding to a greater degree than others.

Federal Funding by Total Dollars

Of the 63 programs we examine in this report, those through which the most total federal dollars flow overwhelmingly serve children. These programs, listed in Figure 5, include supports for families experiencing homelessness, early childhood care, and various components of the child welfare system. Federal funding also supports administration of these programs, which is important to the ongoing operations of these services.

⁶ Eric Katz, “Special Committee Fails to Make Any Changes to Federal Budgeting Process,” Government Executive, November 29, 2018. <https://www.govexec.com/management/2018/11/special-committee-fails-make-any-changes-federal-budgeting-process/153149/>

Figure 5: 20 Programs Receiving Highest Amount of Federal Funding
Dollar figures in millions

Program	Agency	Total Program Budget	Total Federal Funding for Program	Percent of Budget from Federal Funds
1. Family Shelter Operations	DHS	\$1,212	\$666	55%
2. Public Assistance Grants*	DSS	\$883	\$581	66%
3. Child Care Services	ACS	\$965	\$501	52% **
4. Foster Care Services	ACS	\$551	\$174	32%
5. General Administration	DSS	\$424	\$157	37%
6. Head Start	ACS	\$178	\$129	72% **
7. Protective Services	ACS	\$316	\$127	40%
8. Public Assistance and Employment Admin	DSS	\$238	\$119	50%
9. Adoption Services	ACS	\$259	\$108	42%
10. Preventive Services	ACS	\$307	\$96	31%
11. Employment Services Contracts	DSS	\$132	\$95	72%
12. Domestic Violence Services	DSS	\$144	\$83	58%
13. HIV and AIDS Services	DSS	\$263	\$80	30%
14. General Administration	ACS	\$151	\$75	50%
15. Public Assistance Support Grants	DSS	\$305	\$65	21%
16. Medicaid and Homecare*	DSS	\$135	\$53	39%
17. Information Technology	DSS	\$92	\$50	54%
18. Subsidized Employment and Job-Related Training	DSS	\$116	\$46	40%
19. Medicaid Eligibility and Administration	DSS	\$99	\$46	46%
20. Office of Child Support Enforcement	DSS	\$68	\$45	66%
Subtotal for these 20 programs		\$6,841	\$3,296	48%

* Program budget total excludes City funds for direct grants to individuals (public assistance) or on behalf of individuals (Medicaid and homecare).

**Includes 50% or more discretionary funding.

Source: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018 (data are for FY 2018)

Family homeless shelters top this list and are a particular vulnerability for the city. At the end of November 2018 there were 12,700 families (including nearly 22,500 children) in City shelters⁷ and the City's share of spending on homelessness has grown from \$1.3 billion in FY 2014 to \$3 billion in planned spending for FY 2019.

Most of the funding for shelters comes from TANF and is mandatory, unlike the funding for Child Care Services and Head Start, whose budgets are each more than 50 percent discretionary federal funds. Early childhood care and education has been another central priority of the de Blasio administration. As more of the City's three- and four-year-olds begin moving into the expanding pre-K system, it remains important to

⁷ NYC Department of Homeless Services Daily Report, 11/29/18, https://www1.nyc.gov/assets/dhs/downloads/pdf/copy_of_new_daily_report_11-29-18.pdf

maintain a solid base of support for child care for younger children, particularly in the low-income communities Head Start serves.

Federal Funding by Percent of Budget

The programs listed in Figure 6 rely on federal funds for a large percentage of their budgets. Looking at the funding this way reorders the programs that could be particularly vulnerable to cuts in funding. Moving up the list are the Home Energy Assistance Program (HEAP, which helps low-income families pay their utility bills); programs for in-school and out-of-school youth; Head Start; services for survivors of domestic violence; and prevention and aftercare services for families experiencing homelessness, among other programs.

Figure 6: 20 Programs with Highest Percent Federal Funding

Dollar figures in millions

Program	Agency	Total Program Budget	Total Federal Funding for Program	Percent of Budget from Federal Funds
1. Home Energy Assistance	DSS	\$37	\$37	99% *
2. Out-of-School Youth Programs	DYCD	\$17	\$17	98% *
3. In-School Youth Programs	DYCD	\$5	\$4	97% *
4. Head Start	ACS	\$178	\$129	72% *
5. Employment Services Contracts	DSS	\$132	\$95	72%
6. Prevention and Aftercare	DHS	\$32	\$22	68%
7. Office of Child Support Enforcement	DSS	\$68	\$45	66%
8. Preventive Homemaking Services	ACS	\$27	\$17	64%
9. Environmental Health - Day Care	DOHMH	\$17	\$10	61% *
10. Domestic Violence Services	DSS	\$144	\$83	58%
11. Family Shelter Intake and Placement	DHS	\$31	\$17	57%
12. Family Shelter Operations	DHS	\$1,212	\$666	55%
13. Information Technology Services	DSS	\$92	\$50	54%
14. Child Care Services	ACS	\$965	\$501	52% *
15. Public Assistance and Employment Administration	DSS	\$238	\$119	50%
16. General Administration	ACS	\$151	\$75	50%
17. Food Stamp Operations	DSS	\$77	\$38	49%
18. Child Welfare Support	ACS	\$54	\$26	47%
19. Investigations and Revenue Administration	DSS	\$88	\$42	47%
20. Medicaid Eligibility and Admin	DSS	\$99	\$46	46%
Subtotal for these 20 programs		\$3,664	\$2,037	63%

*Includes 50 percent or more discretionary funds.

Source: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018
(data are for FY 2018)

Six of the 14 programs whose budgets are more than half federal funds are also highly reliant on discretionary funding. Nearly all of the federal funds going to the top four programs in Figure 6 – HEAP, In- and Out-of-School Youth Programs, and Head Start – are discretionary. These programs likely would not exist in their current forms without the federal funding they receive, and that funding is subject to annual renewal.

Section IV:

NYC Human Services Programs Most Vulnerable to Federal Budget Cuts

Proponents of smaller government often take issue with federal social services aid to states and localities and frequently take steps to cut spending in this area. The Trump administration has taken this trend to new extremes, proposing deep cuts to social services in each of its annual budget proposals so far.⁸ President Trump's FY 2019 budget proposed cutting SNAP by \$213 billion over the next 10 years and TANF by \$21 billion. It also proposed deep cuts to Medicaid, health insurance subsidies, and disability benefits, as well as canceling Housing Choice Vouchers, raising the share of rent paid by families receiving federal rental assistance, and eliminating HEAP. (See Appendix B for more detail on proposed cuts in the president's most recent budget.) These types of cuts, if they were carried out, would seriously jeopardize the sustainability of the types of social support services discussed in this report.

Thus far, however, the most drastic of these proposed cuts have not been made. The most recent major federal legislative budget action, in fact, actually increased funding for some key social service programs benefiting families and children, particularly in the realm of housing.⁹ Nonetheless, the logic used to justify these types of proposed cuts and the tactics used to advance them are sure to resurface in Republican policy platforms in years to come.

In addition to proposing outright elimination of some grants, proponents of cutting social services spending have recently employed tactics such as imposing work requirements for receipt of benefits, limiting eligibility based on immigration status, changing rules about how states and localities can use certain types of funds, allowing inflation to erode grants' value, or justifying spending cuts as a way to offset the cost of tax cuts. The remainder of this section illustrates ways some of these tactics have been used in recent or ongoing federal budget negotiations. Though the particular circumstances will continue to change, an examination of how these tactics are used to push for funding cuts may be useful to advocates in future budget battles as they work to preserve key sources of support for children and families.

Social Services Block Grant

The SSBG provides flexible funding to states to provide social services needed in their communities, including subsidized child care, foster care services, and services for people with disabilities (see Figure 7). SSBG is an appropriated entitlement; it is a mandatory program but requires an annual appropriation to maintain funding.

Though SSBG funding has been renewed at least for the coming fiscal year, President Trump proposed entirely eliminating SSBG in both his FY 2018 and 2019 budgets, as have several recent House Republican budget plans. While thus far Congress has not acted on these proposals, the program is clearly in the crosshairs of lawmakers who would like to reduce public spending by paring down categorical social service

8 President Trump's FY 2018 budget, "America First: A Budget Blueprint to Make America Great Again," is available here: <https://www.gpo.gov/fdsys/pkg/BUDGET-2018-BLUEPRINT/pdf/BUDGET-2018-BLUEPRINT.pdf>; his FY 2019 budget, "Efficient, Effective, Accountable: An American Budget," is available here: <https://www.whitehouse.gov/wp-content/uploads/2018/02/budget-fy2019.pdf>

9 For the passage of the March 2018 omnibus spending bill, the Republican majority in the Senate were unable to employ the budget reconciliation process, which allows passage with a simple majority in each chamber. Instead, Republicans needed at least nine Senate Democrats to vote for the bill to obtain the required 60 votes. This gave Democrats the leverage to prevent some of the most egregious cuts and preserve funding for some of their priorities.

Figure 7: 10 Programs Receiving the Most SSBG Funding

Dollar figures in millions

Program	Agency	Total Program	Total SSBG Funding	SSBG Percent of Program Budget
1. Preventive Services	ACS	\$307	\$73	24%
2. Protective Services	ACS	\$316	\$30	10%
3. Adult Protective Services	DSS	\$58	\$27	46%
4. General Administration	ACS	\$151	\$19	13%
5. Domestic Violence Services	DSS	\$144	\$18	12%
6. Child Welfare Support	ACS	\$54	\$8	16%
7. Foster Care Support	ACS	\$48	\$6	12%
8. General Administration	DSS	\$424	\$2	0%
9. Information Technology Services	DSS	\$92	\$1	1%
10. Adoption Services	ACS	\$259	\$1	0%
Subtotal for these 10 programs		\$1,853	\$185	13%

Source: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018 (data are for FY 2018)

aid to the states. Proposed elimination of this important flexible funding source is an example of the most straightforward tactics for cutting social services spending.

The Farm Bill and SNAP

SNAP is widely touted as one of the most effective anti-poverty program in our country. The Center on Budget and Policy Priorities (CBPP), which has researched the effectiveness of SNAP, has found that the program reduces poverty and food insecurity and leads to improved long-term health and economic outcomes, particularly for those who receive the benefits as children.¹⁰ SNAP is an important support for low-wage workers, supplementing income for those who cannot afford a basic diet and helping unemployed individuals bridge the gap between jobs. It is also an important support for children; in February 2018, the most recent month for which data are available, the City of New York reported that more than 1.6 million New Yorkers received SNAP benefits, an estimated 700,000 of them children.¹¹

Funding for SNAP is tied to reauthorization of the Farm Bill. Progress on passing a new Farm Bill was stalled throughout the fall of 2018 because of significant differences between the House and Senate versions of the bill, particularly when it came to reauthorizing SNAP. House Republicans sought to tie SNAP benefits to strict new work requirements. Despite the fact that most SNAP recipients who are able to work already do so, the House version of the bill would require recipients to prove, each month, that they worked or partic-

¹⁰ Center on Budget and Policy Priorities, "Chart Book: SNAP Helps Struggling Families Put Food on the Table," February 14, 2018. <https://www.cbpp.org/research/food-assistance/chart-book-snap-helps-struggling-families-put-food-on-the-table>

¹¹ Based on a 2016 USDA report that estimated that 44% of SNAP recipients are children.

Figure 8: 5 Programs Receiving the Most SNAP Funding

Dollar figures in millions

Program	Agency	Total Program Budget	Total SNAP Funding	SNAP Percent of Program Budget
1. General Administration	DSS	\$424	\$45	11%
2. Employment Services Contracts	DSS	\$132	\$42	32%
3. Public Assistance and Employment Administration	DSS	\$238	\$33	14%
4. Food Stamp Operations	DSS	\$77	\$24	30%
5. Subsidized Employment and Job-Related Training	DSS	\$116	\$13	11%
Subtotal for these 5 programs		\$988	\$156	19%

Source: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018 (data are for FY 2018)

ipated in a work training program for at least 20 hours a week, or qualified for an exemption¹² CBPP points out that “[w]orkers whose employers don’t provide enough hours or who don’t have paid sick leave, and recipients, including caregivers and those with disabilities, who can’t navigate a bureaucratic exemption process” would have trouble meeting such requirements; up to two million people could have lost some or all of their SNAP benefits.¹³ Shrinking the pool of potential recipients is likely the implicit goal of these proposed work requirements¹⁴ as research suggests that work requirements do not actually encourage or support employment.¹⁵ Following the midterm election, House Republicans dropped their demand for work requirement changes and supported a compromise bill.

Public Charge Rule

In October 2018, the Trump administration proposed changes to the “Public Charge Rule,” which penalizes immigrants seeking to stay in the country if they use certain public benefits. While case workers already consider immigrants’ use of cash assistance benefits (such as TANF) in assessing whether they will rely on public assistance if they gain permanent status, the proposed rule change would expand consideration to include nutrition, housing, and health benefits, including Medicaid, as well.

Although the rule change is not yet in effect, service providers are already seeing an impact from it. Immigrants in the process of obtaining green cards are beginning to refuse to accept benefits for which they are

12 CBPP, “House Farm Bill’s SNAP Cuts, Work Requirements Would Hurt People with Disabilities,” <https://www.cbpp.org/research/food-assistance/house-farm-bills-snap-cuts-work-requirements-would-hurt-people-with>

13 Ed Bolen et. al. “House Farm Bill Would Increase Food Insecurity and Hardship,” Center on Budget and Policy Priorities, July 30, 2018. <https://www.cbpp.org/research/food-assistance/house-farm-bill-would-increase-food-insecurity-and-hardship>

14 President Trump signed an executive order in April 2018 requiring all cabinet departments to develop plans to require all able-bodied adults receiving aid to work and barring ineligible immigrants from receiving aid. For more information, see <https://www.nytimes.com/2018/04/10/us/trump-work-requirements-assistance-programs.html>

15 Stacy Dean, Ed Bolen, and Brynne Keith-Jennings, “Making SNAP Work Requirements Harsher Will Not Improve Outcomes for Low-Income People,” Center on Budget and Policy Priorities, March 1, 2018. <https://www.cbpp.org/research/food-assistance/making-snap-work-requirements-harsher-will-not-improve-outcomes-for-low>

eligible for fear that it will prevent them from staying in the country. This declining enrollment, essentially a way to cut safety net spending by convincing people to “voluntarily” opt out, has the same effect as a direct cut to spending: imperiling the operations of vital social service providers. New York City’s Health + Hospitals, for example, estimates that it could see losses of \$362 million in the first year if the public charge rule change is enacted.¹⁶

Temporary Assistance to Needy Families

TANF funds are distributed to states as block grants to provide direct cash benefits to low-income families and to fund other programs that support low-income families. The City of New York reported that in July 2018 nearly 120,000 residents received TANF cash assistance.¹⁷ Figure 9, which shows the 10 programs in the agencies we examined that receive the most TANF funding, illustrates the range of TANF-funded supports for low-income communities. The \$1.6 billion total for these 10 programs alone is half of the total federal social services funding coming into the programs we looked at. TANF is a crucial source of funding for New York City social services.

TANF replaced the Aid to Families with Dependent Children (AFDC) entitlement in 1996 as the country’s main program providing cash assistance to families in need. A five-year lifetime limit on eligibility and stringent work requirements were introduced with TANF. Block grant funding was established, giving states much more flexibility in how they spent assistance dollars; today, states spend, on average, only about half of their TANF dollars on the core areas of cash assistance and work supports.¹⁸ This means that half of the funding theoretically allocated as direct cash assistance to low-income families is now being used to fund other programs and activities. In addition, federal TANF block grant funding to states has stayed flat (in nominal dollars) since the program’s inception in 1996. CBPP estimates that the program has lost nearly 40 percent of its real value due to inflation over the past 22 years.¹⁹

Moreover, TANF expired in 2010 and has since been renewed annually rather than with a full-scale, long-term appropriation bill. This leaves the program more vulnerable to delays in reauthorization of funding and piecemeal extensions like the one in the FY 2019 Appropriations Bill that temporarily renewed TANF two days before its September 30, 2018 expiration date. One reason a full renewal has proved challenging to pass is partisan disagreement over work requirements and other eligibility criteria, similar to the conversation over SNAP. Though TANF remains a key source of funding for State and local social services, its reallocation to other uses, declining real value, and unpredictable renewal schedule create challenges to its effectiveness.

The Tax Cuts and Jobs Act of 2017

The Tax Cuts and Jobs Act (TCJA), the tax bill passed by Congress in December 2017, frames the conversation about spending cuts in a new light. Loaded with tax cuts for large corporations, real estate developers,

¹⁶ Jennifer Henderson, “H+H projects \$362M loss from Trump-proposed changes to public charge rule,” Crain’s New York Business, December 6, 2018. <https://www.craigslist.com/health-care/hh-projects-362m-loss-trump-proposed-changes-public-charge-rule>

¹⁷ For trends in beneficiaries over time, see https://www1.nyc.gov/assets/hra/downloads/pdf/facts/charts/tanf_recipients.pdf

¹⁸ Ashley Burnside, “TANF at 22: States Spend Just Half of Their TANF Funds in Core Welfare Reform Areas,” Center on Budget and Policy Priorities, August 23, 2018. <https://www.cbpp.org/blog/tanf-at-22-states-spend-just-half-of-their-tanf-funds-in-core-welfare-reform-areas>

¹⁹ Ladonna Pavetti and Liz Schott, “House Bill to Reauthorize TANF Makes Improvements But Doesn’t Go Far Enough,” Center on Budget and Policy Priorities, May 23, 2018. <https://www.cbpp.org/research/family-income-support/house-bill-to-reauthorize-tanf-makes-improvements-but-doesnt-go-far>

Figure 9: 10 Programs Receiving the Most TANF Funding

Dollar figures in millions

Program	Agency	Total	Total TANF Funding	TANF Percent of Program Budget
		Program Budget		
1. Family Shelter Operations	DHS	\$1,212	\$662	55%
2. Public Assistance Grants	DSS	\$1,583	\$581	37%
3. Domestic Violence Services	DSS	\$144	\$65	45%
4. Public Assistance Employment and Administration	DSS	\$238	\$63	26%
5. Employment Services Contracts	DSS	\$132	\$45	34%
6. Public Assistance Support Grants	DSS	\$305	\$43	14%
7. General Administration	DHS	\$107	\$41	38%
8. Protective Services	ACS	\$316	\$38	12%
9. General Administration	DSS	\$424	\$36	8%
10. HIV and AIDS Services	DSS	\$263	\$36	14%
Subtotal for these 10 programs		\$4,725	\$1,608	28%

Source: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018 (data are for FY 2018)

and generally those with the highest incomes, the TCJA was touted by its supporters as an economic jump-start and by its opponents as a massive giveaway to the wealthy. The burgeoning deficit that has resulted has not deterred some Washington conservatives from proposing even more tax cuts for the richest.

At the same time, conservatives intent on slashing domestic spending, particularly safety net and entitlement programs like Social Security and Medicaid, have argued that their cause has a new urgency due to the spiraling federal deficit induced by the massive tax cuts enacted with the TCJA. Recent reports highlight the fact that this is the first time during an economic growth period when the federal deficit has risen sharply.²⁰ In the tax bill itself, states like New York, California, and New Jersey that have relatively high local property and state personal income tax burdens to fund public services were singled out for harm through the imposition of a \$10,000 cap on the federal deductibility of state and local property and income taxes. Subsequent cuts to social service spending would further hinder efforts by these states, and their localities, to care for their low-income communities by reducing the available funding for local services.

Following the TCJA with cuts to social services spending essentially redistributes a huge amount of our nation's tax revenue from those who most need assistance to those who need it least. Rather than using the rising deficit as justification for significant cuts to the critical programs discussed in this report, lawmakers should take steps to roll back pieces of the TCJA in order to generate sufficient revenue to fund communities' key priorities. Recent Democratic proposals have included repeal of pieces of the TCJA to fund,

20 Jared Bernstein, "What's wrong with upside-down Keynesianism?," On The Economy, October 17, 2018. <http://jaredbernsteinblog.com/whats-wrong-with-upside-down-keynesianism/>

among other things, infrastructure such as roads and bridges;²¹ teacher salaries;²² and expansion of the Earned Income Tax Credit (EITC) to benefit working families.²³ Governor Cuomo recently urged New York's Congressional delegation to prioritize repealing the TCJA \$10,000 limit on the federal deductibility of state and local taxes. New York and three other states have sued the federal government challenging the constitutionality of the tax bill's deductibility limit.²⁴ As the newly elected Congress begins its work in January, negotiations over how, and how much, to fund social services will continue to be a top priority.

21 Lisa Mascaró, "Democrats would reverse some tax cuts to fund infrastructure," AP News, March 7, 2018. <https://www.apnews.com/b073a8df39ee4eafbc6f-c556e9f4414b>

22 Alexia Fernández Campbell, "Schumer, Pelosi unveil plan to give teachers a raise — by rolling back Trump's tax cuts for the rich," Vox, May 23, 2018. <https://www.vox.com/2018/5/23/17380564/democrats-schumer-pelosi-teacher-raises-tax-hikes>

23 Ylan Mui, "Kamala Harris and other prominent Democrats want to repeal Trump's tax cuts and replace them with cash payouts for the poor and working class," CNBC, October 19, 2018. <https://www.cnbc.com/2018/10/19/kamala-harris-democrats-push-to-repeal-and-replace-trump-tax-cuts.html>

24 Robert Harding, "Cuomo to NY House Democrats: Fight for SALT deduction, Gateway Tunnel funding," auburnpub.com, https://auburnpub.com/blogs/eye_on_ny/cuomo-to-ny-house-democrats-fight-for-salt-deduction-gateway/article_58ddcaa2-f199-11e8-9ced-17ea70c5908f.html

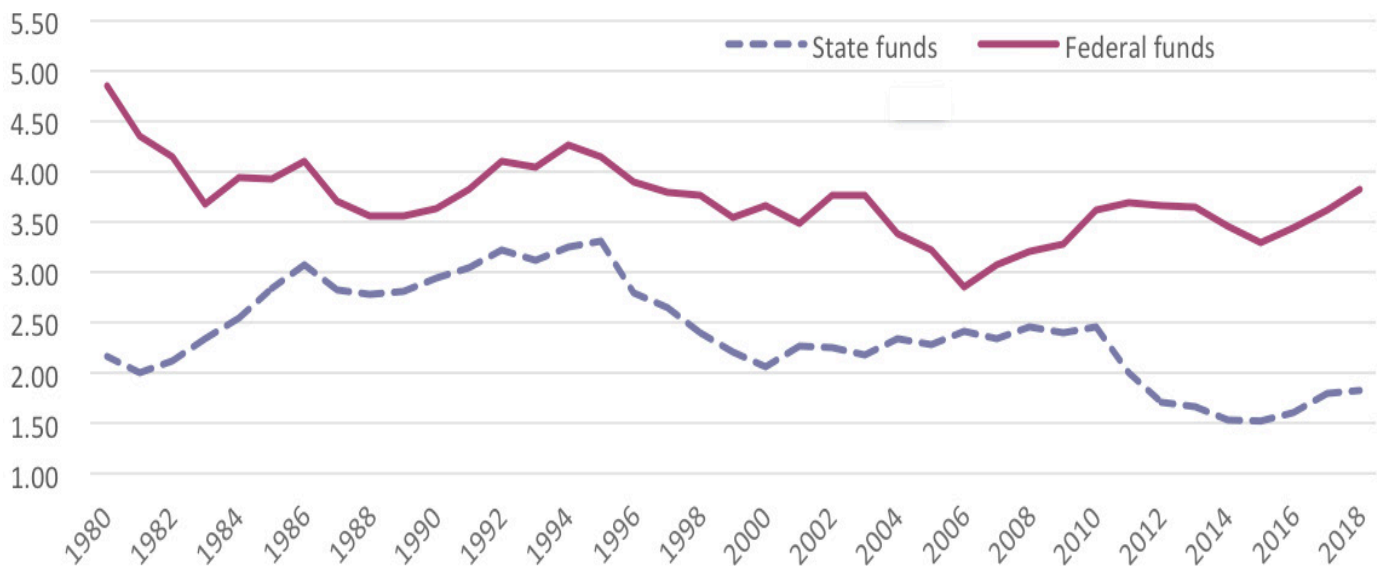
Section V:

Conclusion

The results of the recent midterm elections will shape the outcome of the ongoing negotiations over safety net and social services spending. House Republicans had little choice but to drop the stringent work requirements they proposed in order to pass in mid-December a compromise farm bill to avoid the possibility of a total rewrite of the bill by a Democratic-majority House next year.²⁵ Funding decisions not resolved this year will stretch into the next, with a new House to push back against the deep cuts sought by the Trump administration and its supporters.

The reality of the deficit created by the TCJA still looms, however, and the new Congress will debate whether to make changes in that unprecedented tax-cutting measure. The parties disagree on how to do so. While Republicans have largely proposed cuts to spending, as discussed above, Democrats may consider attempts to roll back some of the provisions of the tax bill to lift the cap on the deductibility of state and local taxes, to fund increased low-income tax credits, or to finance infrastructure investments.²⁶ As the sides consider the options, we recommend that they avoid cuts to funding that helps states and cities support children, families, and low-income communities. These groups should not shoulder the burden created by tax cuts to corporations and the wealthiest households.

Figure 10: Federal and State Categorical Social Services Funding to NYC, Constant \$2018 (Billions)



Source: New York City Independent Budget Office, data compiled from Comprehensive Annual Financial Reports, re-stated by CNYCA in 2018 constant dollars.

²⁵ Andrew Duehren, "House Passes Farm Bill, Sends It to President Trump's Desk for Signature," The Wall Street Journal, Dec. 12, 2018.

²⁶ Kaustav Bastu, "What Democrats Want to Do on Taxes If They Win the House," Bloomberg News, October 31, 2018. <https://www.bna.com/democrats-taxes-win-n57982093407/>

The midterm elections, and the resulting new leadership in Albany, also create an opening to reevaluate the role of State social services aid to New York City. While federal social services categorical grants to New York City are much greater than State social service funding, and there are very real threats to federal funding, State tax levy funding for New York City social services has already declined sharply in recent years.

Since the end of the 2008-09 Great Recession, federal funding for City-provided social services to children and their families has increased in importance relative to State tax levy funding. Federal social services categorical aid, now at \$3.8 billion, rose by 5.4 percent in constant dollar terms from 2010 to 2018. During the same period, State social services categorical aid declined by nearly 26 percent in constant dollars from \$2.45 billion in 2010 to \$1.82 billion in 2018.²⁷ This analysis shows that while the City and its children's services providers have been bracing for the threat of federal cuts, the State has been steadily reducing its commitment to funding the needs of low-income families and children across the state. That will be the subject of a future analysis.

²⁷ Under Governor Cuomo's self-imposed two percent overall spending cap, State funding for social services has declined since 2011. Within the two percent overall spending cap, Medicaid and education aid to local school districts have each increased about four percent or more annually, and since those two items account for about half of the State budget, spending in other areas, principally within social services, has been frozen or declined.

Appendix A

List of Program Areas Included in This Report

Includes all program areas for ACS, DYCD, DSS, and DHS, and select programs for DOHMH

Dollar figures in millions

Program	Total Budget	Contractual Spending (mainly to nonprofits)	Total Federal Funding
Administration for Children's Services	\$3,148.3	\$1,968.6	\$1,283.0
Adoption Services	\$259.0	\$1.2	\$107.9
Alternatives to Detention	\$8.5	\$1.7	\$0.3
Child Care Services	\$964.8	\$862.8	\$500.7
Child Welfare Support	\$53.9	\$0.0	\$25.6
Dept. of Ed. Residential Care	\$96.2	\$0.0	\$0.0
Foster Care Services	\$550.9	\$472.4	\$174.4
Foster Care Support	\$47.9	\$0.0	\$20.7
General Administration	\$151.2	\$18.6	\$74.9
Head Start	\$178.1	\$172.0	\$128.6
Juvenile Justice Support	\$12.6	\$6.5	\$0.0
Non-Secure Detention	\$16.1	\$15.3	\$0.3
Placements	\$128.7	\$73.4	\$8.8
Preventive Homemaking Services	\$26.7	\$26.7	\$17.1
Preventive Services	\$306.9	\$263.6	\$96.5
Protective Services	\$316.1	\$50.1	\$127.4
Secure Detention	\$30.6	\$4.4	\$0.3
Department of Youth and Community Development	\$836.7	\$645.7	\$94.4
Adult Literacy	\$20.5	\$17.7	\$3.9
Beacon Community Centers	\$128.6	\$118.0	\$15.1
Community Development Programs	\$64.5	\$55.5	\$29.3
General Administration	\$33.9	\$2.0	\$4.4
In-School Youth Programs	\$4.6	\$4.1	\$4.5
Other Youth Programs	\$49.5	\$39.9	\$0.5
Out-of-School Time	\$334.6	\$325.8	\$0.0
Out-of-School Youth Programs	\$17.0	\$14.8	\$16.7
Runaway and Homeless Youth	\$34.9	\$33.1	\$0.1
Summer Youth Employment Program	\$148.6	\$34.9	\$19.9
Department of Health and Mental Health	\$449.3	\$284.2	\$43.3
Environmental Health - Day Care	\$16.6	\$0.9	\$10.0
Family and Child Health - Admin	\$15.0	\$10.2	\$0.0
Family and Child Health - Early Intervention	\$274.6	\$253.2	\$26.1
Family and Child Health - Maternal and Child	\$22.9	\$12.0	\$3.6
Family and Child Health - Oral Health	\$0.0	\$0.0	\$0.0
Family and Child Health - School Health	\$120.1	\$8.0	\$3.5

Appendix A-continued

	Total Budget	Contractual Spending (mainly to nonprofits)	Total Federal Funding
Department of Social Services	\$2,378.5	\$628.5	\$992.2
Adult Protective Services	\$58.2	\$26.1	\$26.7
CEO Evaluation	\$4.5	\$3.4	\$0.0
Domestic Violence Services	\$143.8	\$24.0	\$83.2
Employment Services Administration	\$31.6	\$1.3	\$13.8
Employment Services Contracts	\$132.4	\$132.4	\$95.1
Food Assistance Programs	\$19.9	\$3.7	\$3.3
Food Stamp Operations	\$77.3	\$1.8	\$38.1
General Administration	\$424.0	\$87.7	\$156.5
HIV and AIDS Services	\$263.1	\$139.2	\$79.9
Home Energy Assistance	\$36.8	\$2.2	\$36.6
Information Technology Services	\$92.2	\$32.0	\$49.6
Investigations and Revenue Admin	\$88.1	\$1.1	\$41.6
Legal Services	\$126.5	\$117.2	\$26.6
Medicaid - Eligibility and Admin	\$99.5	\$11.1	\$46.1
Office of Child Support Enforcement	\$68.5	\$11.1	\$45.0
Public Assistance and Employment Admin	\$238.1	\$10.1	\$118.6
Public Assistance Support Grants	\$305.3	\$77.7	\$65.5
Subsidized Employment and Job-Related Training	\$116.3	\$0.0	\$46.2
Substance Abuse Services	\$52.4	\$24.0	\$19.8
Department of Homeless Services	\$2,249.8	\$2,036.2	\$770.6
Adult Shelter Administration and Support	\$10.8	\$0.4	\$2.1
Adult Shelter Intake and Placement	\$11.3	\$0.0	\$0.8
Adult Shelter Operations	\$699.9	\$648.6	\$12.3
Family Shelter Administration and Support	\$10.8	\$0.0	\$2.0
Family Shelter Intake and Placement	\$30.8	\$0.0	\$17.4
Family Shelter Operations	\$1,212.5	\$1,174.6	\$665.9
General Administration	\$107.3	\$50.7	\$43.8
Outreach, Drop-In, and Reception Services	\$107.7	\$104.4	\$3.3
Prevention and Aftercare	\$31.7	\$31.7	\$21.7
Rental Assistance and Housing Placement	\$27.0	\$25.7	\$1.3

Source: Adopted New York City FY 2019 budget, Budget Function Analysis, June 2018 (data are for FY 2018)

Appendix B

Key Proposed Changes to Social Services and Related Programs in President Trump's 2019 Budget

Department of Health and Human Services

- Eliminates ACA's expansion of Medicaid to low-income adults.
- Cuts Medicaid and subsidies for private coverage on the ACA market by \$763 billion over 10 years.
- Imposes a per-capita cap on Medicaid funding for seniors, people with disabilities, and families with children.
- Weakens consumer protections for people with private coverage.
- Allows states to consider assets in determining Medicaid eligibility.
- Adds new work requirements to eligibility for various types of federal assistance.
- Cuts TANF block grant and eliminates TANF Contingency Fund, reduction of \$21 billion over 10 years.
- Eliminates Social Services Block Grant.
- Increases funding for CDC for the Global Health Security Agenda.
- Adds \$5 billion over five years to combat the opioid epidemic.

Department of Housing and Urban Development

- Reduces Section 8 federal housing subsidies.
- Cancels Housing Choice Vouchers for 200,000 low-income households.
- Eliminates the \$1.9 billion fund for public housing capital repairs.
- Eliminates community development block grants.
- Eliminates grants to states and local governments to increase homeownership for low-income Americans.
- Eliminates the Low Income Home Energy Assistance Program.
- Eliminates funding for neighborhood redevelopment.
- Raises percent of income families on HUD rental assistance would have to pay in rent.

Agriculture Department

- Reduces funding for SNAP by \$17.2 billion in 2019 and \$213.5 billion over the next 10 years
- Includes benefit and eligibility cuts that would cause at least 4 million people to lose SNAP benefits.
- Proposes providing boxes of non-perishable foods to households rather than cash nutrition assistance.
- Limits eligibility in the crop insurance program and caps premium subsidies.
- Cuts \$136 million in funding for conservation programs.
- Eliminates the Rural Economic Development Loan and Grant Program.
- Discontinues the \$166 million Food for Progress aid program.

Labor Department

- Cuts funding for National Dislocated Worker Grants by \$168.5 million from 2017 levels.
- Shrinks funding for Adult Employment and Training Activities by nearly half.
- More than doubles funding for apprenticeships.

Education Department

- Cuts grant programs including the D.C. tuition aid program and Supplemental Educational Opportunity Grant.
- Deeply cuts the federal work-study program.
- Cuts student loans by more than \$200 billion over the next decade.
- Expands Pell grants to be available for short-term academic and certificate programs, but freezes their value.

Department of Veterans Affairs

- Cuts cost of living bumps to disabled veterans living on benefits.
- Adds \$8.6 billion for mental health services.
- Provides emergent mental health services to some former service members with other than honorable discharges.
- Provides \$381 million to programs to reduce reliance on opioids.

Source: Washington Post analysis: <https://www.washingtonpost.com/graphics/2018/politics/trump-budget-2019/>;
CBPP analysis: <https://www.cbpp.org/research/federal-budget/trump-budget-deeply-cuts-health-housing-other-assistance-for-low-and>

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