

TESTIMONY

New York City Council Committees on Contracts and Oversight & Investigations Oversight – Revisiting City Contracts Serving Asylum Seekers in New York City September 21, 2023

> Submitted by: Human Services Council of New York (HSC)

INTRODUCTION

We urge the City of New York to prioritize investments in community legal services, case management, housing, employment support, and other care for people seeking asylum. This requires a shift from reactive, short-term, and opaque procurement to predominantly for-profit contractors, and towards more direct, multi-year, and transparent contracting with the human services sector. HSC urges this shift as a coalition of 170 nonprofit providers in NYC, including many who are in the arena directly serving people seeking asylum.

We need urgent federal financial and political aid, including expedited work authorizations and expanded Temporary Protected Status. And, we need the support of our State leaders and neighboring jurisdictions. Since last summer, HSC and partners have advocated for these positions, which have since been taken on by the Mayor and Governor. But we also repeatedly called for more coordination and direct funding for human services that help move asylum seekers out of a state of crisis. We have not seen the necessary progress there.

Additionally, the Administration's proposed cuts in the recent Program to Eliminate the Gaps (PEG) is contradictory to its aims to move people forward in their asylum process. Currently and historically, PEGs disproportionately impact agencies and contracted nonprofits in human services that serve New Yorkers most in need and people seeking asylum. The Administration falsely claims that NYC must choose *either* funded social services *or* asylum seekers. This pits communities in need against our newest neighbors, contributing to increasing xenophobia and division. The Administration has options among agencies and sources of income for fund reallocation that would hold harmless critical services.¹

The sector has already designed innovations to help people transition out of a state of crisis, with limited to no coordination or resources from the City. The City must codify genuine partnerships with migrating communities and their advocates into procurement to sustain sanctuary. Prioritizing direct contracting with community organizations to expand aid--such as for legal services or pathways to permanent housing--not only helps our newest neighbors: it strengthens support systems New Yorkers already need.

FINDINGS

HSC has engaged over 80 human services providers and 200 workers from community-based, citywide, and national organizations. Providers have reported service to people seeking asylum as a natural extension of their mission—serving on their own initiative, using their own funds, and their own networks. Many organizations have shared struggles to sustain and/or expand services in the under-resourced landscape navigated to-date. Findings reflect a wider trend in a sector facing forced cuts and closures of human services programs after long-term systemic inequities—such as government-sanctioned poverty wages and delayed payment. Findings reflect a wider trend in a sector facing forced cuts and closures of human services programs after long-term systemic inequities—such as government-sanctioned poverty wages and delayed payment.



The self-reported underinvestment of the sector has been supported by contracting data released by the City. Historically, City spending on human services for asylum seekers has been "miniscule" at a projected 0.2% of what the City plans to spend. Contracts recently released by the NYC Comptroller, while incomplete, show a continued trend as of July 2023. We estimate, from that limited information, that at least 80% of total funds from listed contracts were assigned to for-private sector contractors, predominantly for shelter services. These mass allocations in opaque private sector contracts have led to problems when unqualified private companies try to offer social services. This will not be solved by cuts that predominantly impact human services provided by City agencies and nonprofits. The cost justification for those cuts has also since been challenged: the proposed 15% budget cuts have been proposed as overstated compared to cited "migrant crisis" costs. The cost justification for those cuts have been proposed as overstated compared to cited "migrant crisis" costs.

ADVOCACY

Ensure all City, State, and Federal funds designated for people seeking asylum contain direct, expedited funding for comprehensive human services, developed with community partners.

- Leverage emergency procurement models for community partners from past crises (e.g., COVID-19), ensuring that funding is accompanied by a multi-year plan for fund renewals accessible to C/FBOs. ix
- Pay the full cost of services to organizations (not only salaries), prioritize just pay, and allow for flexible deliverables and upfront payment to encourage innovation and efficiency in services.
- Designate additional resources for hiring interpreter/translation services for non-English speakers and people with disabilities, in all needed languages and at equitable pay rates.
- Ensure disclosed contracting and spending in the City's response to date show all services offered (inclusive of City departments; City corporations like H+H and EDC; for-profits; and nonprofits).

Prioritize investments in legal services, care coordination, transitional and long-term housing, employment support, and other human services, notably:

- <u>Legal Services</u>: Work with legal services providers to accurately identify full funding for emergency, triaged legal needs <u>and</u> additional multi-year legal representation.
- Care Coordination:
 - Extend navigation services into sustained care management and expand satellite sites with community providers to host/locate more sites.
 - Fund people-centered data management infrastructure unified across programs, prioritizing strong protections for clients who fear enforcement (review models from other jurisdictions).^x
- <u>Housing</u>: Expand funds for community organizations, congregations, and networks offering housing, investing in long-term housing solutions and expanding subsidized vouchers.xi
- Employment:
 - Expand funding for sustained, accessible workforce development programs, and other support such as donated technology and transportation that lift barriers to employment.
 - Fund access to, and outreach for, childcare via C/FBOs.

CONCLUSION

NYC has long expressed pride in its identity as a sanctuary city—a welcoming refuge for all migrants. The city has the infrastructure within the human services sector to fully address the needs of its residents. This can only happen when human services organizations and community networks are seen as equal partners, and funded as ones by all levels of governments. The latest challenges affiliated with services to asylum seekers could lead us down a different path, where we invest more in our existing infrastructure of social support, not less. That would better serve people seeking asylum, and expand capacity for the New Yorkers already weathering crises.



Contact

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ⁱ The City: What Eric Adams Is Getting Wrong About the Migrant Crisis

ii WIN and NYIC: Permanently Housing Rather Than Just Sheltering Asylum Seekers Could Save the City Over \$3 Billion Annually

iii HSC: Welcoming Our Newest Neighbors -Assessing Human Services Support to People Seeking Asylum in NYC

iv HSC: #JustPay Campaign

v Office of the New York City Comptroller Brad Lander: Accounting for Asylum Seekers

vi Office of the New York City Comptroller Brad Lander: Contracts

vii This refers to DocGo providing "a range of services, including social work" who were hired "under emergency procedures that waive typical competitive bidding requirements." NYT: NY Attorney General Will Investigate DocGo, a Troubled Migrant Contractor

viii "While the growth in asylum seeker costs is adding new fiscal strain, the City's request for 15 percent cuts across all agencies — which totals \$10 billion in cuts in one year — significantly overstates the fiscal impact of migrant arrivals." Fiscal Policy Institute: Breaking Down the Fiscal Impact of City Aid to Migrants

ix NYC made an emergency procurement declaration in August 2022, requested by the DHS Commissioner pursuant to Section 315 of the NYC Charter and Section 3-06 of the Procurement Policy Board Rules. An Emergency Executive Order was announced in October 2022, and subsequently extended.

x City of El Paso: Migrant Crisis Resources

xi WIN and NYIC: Permanently Housing Rather Than Just Sheltering Asylum Seekers Could Save the City Over \$3 Billion Annually