



70 West 36th Street, Fifth Floor, New York, NY 10018
tel: 212-967-0322 fax: 212-967-0792

**Testimony before the Aging Committee
of the New York City Council**

Maria Baez, Chair

The Expansion of SCRIE

October 20, 2003

Good morning, my name is Jessica Walker and I am a Policy Analyst at United Neighborhood Houses (UNH). UNH is the federation of 36 settlement houses that benefits half a million New Yorkers—from infants to adults to seniors—with educational programs, employment assistance, human services, and cultural activities at 350 locations throughout New York City. Founded in 1919 to bridge the common interests and concerns of New York's settlement houses and the communities they serve, UNH and its member agencies today comprise one of the City's largest human service systems. It is because of this historic and continued commitment to our communities that we appear before you today to speak on these proposed changes to the Senior Citizen Rent Increase Exemption (SCRIE). Thank you for giving me this opportunity.

As you know, many older adults are often forced to deal with several hardships in later life, not the least of which is financial difficulty. According to a recent study by the Public Advocate, 65% of senior center participants in New York City feel that they are either "just getting by" or simply "can't make ends meet."¹ In fact, nearly half of all New York City older adults ages 65 and older have a household income of \$20,000 or less.² As such, the SCRIE program has had much success in lessening the burdensome impact of the rising cost of living on low-income seniors. Intro. 539 would allow 6,400 additional low-income senior households to become eligible for this program by raising the maximum income from \$20,000 to \$24,000. We urge passage of this vital bill, as it will help more seniors to remain living in their own homes in the midst of an affordable housing crisis.

In addition, we support the further improvement of the SCRIE program recommended in Res. 993, which calls for decreasing the required portion of income to be paid by otherwise eligible residents toward rent from one-third to one-fourth. While this is a positive step that could help many seniors, it would not help those seniors who are already paying more than the required minimum, whether that be one-third or one-fourth of their income. Right now, the law is written so that eligible residents must pay *at least* one-third of their income towards rent. The Assembly and Senate legislation would simply say that eligible residents must pay *at least* one-fourth of their income on rent. While lowering the required minimum is beneficial for some, those seniors who are paying half of their income on rent (and in some cases, even more) will not be affected; they will have to continue paying these large amounts because there is currently no maximum requirement. Technically, the current program would say nothing if a senior were paying as much as 95% of their income towards rent. As such, we want to reintroduce an idea first put forth by the Independent Budget Office (IBO): capping the amount of income that seniors pay towards rent under the program. In recent testimony before this committee, the IBO stated:

¹ "Just Getting By: New York City Nutrition Services for Seniors," A Report by the Public Advocate of New York City, 2003.

² US Census, table P55: Age of Householder by Household Income in 1999.

The federal affordability standard for most housing programs is 30 percent. For instance, New York City Housing Authority tenants pay rent equal to 30 percent of monthly income. Lowering the rent-to-income threshold to this level...would add nearly four times as many households as would raising the income cap alone, at a modest cost to the city.³

UNH will be working on the state level to incorporate this vital component into the Assembly and Senate legislation.

Finally (and perhaps most importantly), we urge that more efforts to raise public awareness about the SCRIE program be undertaken to ensure that everyone knows about the program and its requirements, whatever the income thresholds and caps may be.

Last November, UNH in conjunction with The Council of Senior Centers and Services of New York City, Inc. organized a coalition to increase utilization of the Senior Citizen Rent Increase Exemption Program (SCRIE). As you may know, this valuable program is still greatly underutilized; recent findings show that only 40.2% of all eligible households appear to be benefiting from it.⁴ As such, we convened key advocates from the City's government, corporate, religious, and nonprofit sectors to share ideas about enrolling more eligible seniors in the SCRIE program. We were pleased that the Counsel to this Committee, Ms. Chereé A. Buggs, along with key representatives from the City's Department for the Aging, was able to actively participate in this imperative undertaking. While this undertaking has been productive in raising the level of awareness surrounding this valuable program, we still have a long way to go and we encourage the City Council to continue playing a key role.

In July 2002, Mayor Michael Bloomberg asked the New York City Department of Consumer Affairs (DCA) to create a citywide coordinated campaign to increase the number of eligible New Yorkers claiming the Earned Income Tax Credit (EITC) on their tax returns. This campaign, which was modeled after similar efforts in Los Angeles and Chicago, built a coalition of diverse organizations to provide volunteer tax preparation assistance, donate space, inform potential recipients and underwrite the endeavor. Most importantly, DCA also launched a citywide advertising campaign to encourage all New Yorkers that qualify to file for the EITC. There are estimates that millions of New Yorkers were reached by these ads.⁵

For the EITC campaign, the Mayor and the DCA were able to get most of the advertising portion of the campaign paid for with in-kind donations. For instance, Time Warner donated airtime on its local cable networks for ads, bus shelter ads were donated by the Metropolitan Transit Authority (MTA), McDonald's printed the ads on their disposable placemats, and El Diario printed the ads in its daily newspaper. The major expense associated with the ads was the outsourced designer who created the ad's design.⁶ It is our feeling that a similar outreach campaign around SCRIE would be both beneficial and worthwhile.

We thank you for the opportunity to testify today and we stand ready to work with you to bring about these necessary changes. Thank you.

³ "Testimony of Preston Niblack, Deputy Director, before the City Council Committee on Aging on Expanding the Senior Citizen Rent Increase Exemption," April 26, 2002. Independent Budget Office.

⁴ Independent Budget Office; stated in a personal letter from IBO to UNH, August 7, 2003. "Comparing the numbers of participants as reported by the Department of Finance with the number eligible according to the 2002 HVS, we found the participation rate to be 40.2 percent. (This is up from 33 percent based on the 1999 HVS.)"

⁵ Learned via a private telephone conversation with a key campaign official at DCA, August 14, 2003.

⁶ Ibid.