Focus On: The Preliminary Budget

March 2019

Funding Added for LeadFreeNYC, More to Come?

The de Blasio Administration increased funding for its recently announced LeadFreeNYC initiative in the Preliminary Budget. A total of \$23 million was added from 2020 through 2023, spread across several agencies, although this represents only a portion of the \$147 million the Mayor has committed to spending through 2023 on his program to eliminate childhood lead exposure by 2029 (all years refer to fiscal years). Some funding was also added earlier in the current fiscal year, but still leaves the initiative \$108 million short of the Mayor's spending commitment.

The plan includes making lead-laws stricter by lowering the allowable lead level in apartments, increasing inspections, expanding follow-up care for children exposed to lead, public education campaigns, and creating better ways to identify sources of lead. A range of additions were made in the Preliminary Budget to pay for a number of these initiatives, with new funds coming from city and state sources. The Departments of Environmental Protection (DEP), Health and Mental Hygiene (DOHMH), and Housing Preservation and Development (HPD) all received LeadFreeNYC-related funding in the Preliminary Budget. The plan also calls for increased city funding for the Department of Homeless Services (DHS) and the New York City Housing Authority (NYCHA), although no lead-related funds for these agencies were included in the Mayor's most recent financial plan. Including funds budgeted for the initiative in his November 2018 Financial Plan, there is now a total of \$39 million in new lead-related funding in the city budget with \$2.3 million planned for 2019, \$16 million for 2020, \$8.5 million for 2021 and 2022, and \$4.0 million for 2023.

In the LeadFreeNYC plan, the city committed to contributing \$80 million to NYCHA for lead-testing, and while NYCHA recently announced \$88 million in LeadFreeNYC-related contracts, the city's contribution has yet to appear in the city budget. In addition, the program's planning document suggests at least another \$28 million will need to be added to the city budget to cover the cost of LeadFreeNYC programs in agencies other than NYCHA.

Funds to Replace Lead Service Lines. The Department of Environmental Protection, which is responsible for the city's water system, received a one-time, \$5.2 million grant from the state's Department of Health to help lowincome, single-family homeowners replace lead service lines. Service lines carry drinking water from water mains under the street into residences, and prior to 1964, they were sometimes made of lead. These lead service lines in

LeadFreeNYC Funds Beginning to be Reflected in City Budget

Department of Environmental Protection Department of Health and Mental Hygiene Department of Housing Preservation and Development LeadFreeNYC Funding, dollars in millions \$18 \$16 \$14 \$12 \$10 \$8 \$6 \$4 \$2 \$0 2019 2020 2022 2023 2021 **Fiscal Year** SOURCE: New York City Fiscal Year 2020 Preliminary Budget

NOTE: Includes funds added in the November financial plan as well as the Preliminary Budget.

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New York City Independent Budget Office Ronnie Lowenstein, Director 110 William St., 14th floor New York, NY 10038 Tel. (212) 442-0632 Fax (212) 442-0350 iboenews@ibo.nyc.ny.us www.ibo.nyc.ny.us smaller, older residential buildings are now a source of lead contamination. IBO has previously published research on the prevalence of lead hazards in drinking water throughout the city. LeadFreeNYC calls for the state funding to be used as a pilot to inform a future citywide expansion of the service line replacement program. Additional funds would be required from either the city or state to expand the program to additional homeowners beyond 2020.

Although costs are not reflected in the city budget nor estimated in the LeadFreeNYC planning document, the de Blasio Administration also plans to map all lead service lines in the city and is considering a policy of replacing lead service lines routinely as water main maintenance work is done. Beyond the service lines, DEP plans to launch a program to provide free drinking water filters to tenants with elevated lead levels in their water, and require landlords to communicate the presence of elevated water lead levels to tenants. Funding for the free drinking water filters and outreach are also outside the \$5.2 million state funding included in the Preliminary Budget. Last year, the City Council proposed several lead-related local laws requiring DEP to map all lead service lines and for landlords to provide lead filters to affected homes, but these bills have yet to be passed into law.

Housing Enforcement Funds. The budget for HPD, which enforces the city's housing code, as well as local laws related to lead paint, has been boosted by a total of \$9 million in city funds from 2020 through 2023. The new funding will support proactively testing residences for lead (lead testing is currently primarily complaint-driven), abatement and repairs, increased compliance and enforcement, and outreach. The LeadFreeNYC plan calls for a total of \$25 million in new funds for HPD over the 2020-2023 period. Under the Mayor's initiative, HPD is charged with auditing compliance records for lead inspections, conducting an outreach campaign to educate city landlords on lead laws, and expanding the Lead Hazard Reduction and Healthy Homes Primary Prevention Program. The latter is a joint effort between HPD and DOHMH to offer grants to owners of buildings constructed prior to 1960 to remediate lead paint hazards. The new funding outlined in LeadFreeNYC will provide owners of buildings with lowincome residents addtional forgiveable loans to aid with lead paint abatement.

Coordinating Care. DOHMH is New York City's public health agency, responsible for monitoring lead hazards in the city, educating the public, and following up on instances of child lead exposure. Beginning in 2020, \$1.5 million in city

funds and \$800,000 in state funds have been budgeted to help coordinate care for children with elevated blood lead levels and improve the citywide immunization registry (CIR) for lead-related notifications. The CIR currently provides care providers access to a child's vaccine and lead testing records. These funds are in addition to the \$16 million added for the years 2019-2023 in the November financial plan for more lead inspectors and outreach to affected children. Over the last two budgets, DOHMH lead-related initiatives now have a total of \$25 million in new funding—close to the \$29 million called for in the LeadFreeNYC roadmap.

Coordinated care for elevated blood lead level cases includes funding for seven additional nurse positions that will allow DOHMH to assign all affected children to nursing staff to ensure blood lead level monitoring and to coordinate the child's ongoing care. Improvements to the citywide immunization registry include expanding its text message reminder tool for notifying parents and developing an interface to display lead data and suggestions for providers that include recommendations about lead testing for each individual child. These items are intended to expand compliance with lead testing requirements for all children before the age of 3 and improve communication between providers and patients.

DOHMH has also added 62 positions to support additional home inspections after the threshold for an elevated blood lead level in children was lowered in 2018 and three new positions will be dedicated to reaching out to families whose children have not been tested for lead as mandated under state law. LeadFreeNYC also calls for \$750,000 annually for DOHMH to increase enforcement of lead regulations related to the sale and distribution of lead-contaminated products, which is not yet reflected in the budget.

Funding to Come for NYCHA? While no city funds were provided in the Preliminary Budget, NYCHA has moved forward with LeadFreeNYC-related plans to inspect 135,000 apartments for lead hazards, announcing \$88 million in contracts with seven different companies. The LeadFreeNYC plan states that "The City has committed \$80 million for NYCHA" but the \$88 million in contracts NYCHA has agreed to do not yet appear to include city funds. NYCHA announced it will inspect units built before 1978, prioritizing buildings with the most children and also concurrently checking for a range of other health hazards.

The LeadFreeNYC plan also calls for DHS to spend \$7 million to test and eliminate lead hazards from family shelter units, although these funds—like those for NYCHA—

were not added to the Preliminary Budget. LeadFreeNYC also calls on the Department of Buildings to coordinate with DOHMH and HPD on building construction inspections for lead and for the Department of Social Services to standardize processes to address lead hazards for its rental assistance programs. No specific funding levels were identified in the planning document for these actions and no funding was added during recent budgets.

Sprawling Program, Difficult Accountability. LeadFreeNYC is a sprawling initiative intended to address ongoing sources of lead exposure in the city. Many agencies have a role in reducing lead exposure, and the plan is an effort to link these disparate programs. It seeks to tighten the city's

residential inspection programs, makes resources available to affected families, provide funds for remediation and calls for a public education campaign. However, the involvement of so many agencies with city and state funding spread among many individual programs may make accountability difficult. In recognition of the interagency nature of lead hazard mitigation, the LeadFreeNYC plan calls for hiring a citywide lead compliance officer to manage data sharing and coordination, but it does not appear that funding for this position has been added to the city budget yet.

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