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|  | **The Council of the City of New York**  **Finance Division**  **Tanisha S. Edwards, Esq., Chief Financial Officer and Deputy Chief of Staff to the Speaker**  **Richard Lee, Finance Director**  **Fiscal Impact Statement**  **Proposed Intro. No: 522-A**  **Committee:** General Welfare |
| **Title:** A Local Law to amend the administrative code of the city of New York, in relation to requiring mental health professionals in families with children shelters. | **Sponsor(S):** Bottcher, Ayala, Rivera, Ossé, Hanif, Abreu, Brewer, Louis, Ung, Gutiérrez, Won, Brooks-Powers, Hudson, Nurse, Joseph, Williams, Krishnan, Holden, Schulman, Velázquez, Gennaro, Narcisse, De La Rosa, Restler, Riley, Stevens, Moya, Sanchez, Menin, Marte, Dinowitz, Cabán, Powers, Avilés, Salamanca, Farías, Brannan, Lee, and Paladino |

**Summary of Legislation:** Proposed Int. No. 522-A would require the Department of Homeless Services’ (DHS) contracted shelter providers to hire mental health professionals to provide on-site or telehealth mental health services at families with children shelters, subject to appropriations. The bill requires that mental health professionals be made available at the 30 largest families with children shelters sites by July 31, 2024, and at all families with children shelter sites by July 31, 2025. DHS is required to maintain a pro-rated ratio of at least one full-time mental health professional for up to every 50 families with children. No later than December 31, 2024, and annually thereafter, DHS will submit a report to the Mayor, the Speaker of the Council, and post on its website, regarding mental health professionals in families with children shelters and the number of clients served.

**Effective Date:** This local law will take effect 180 days after it becomes law.

**Fiscal Year In Which Full Fiscal Impact Anticipated:** Fiscal Year 2026

**Fiscal Impact Statement:**

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|  | **Effective FY24** | **FY Succeeding Effective FY25** | **Full Fiscal Impact FY26** |
| **Revenues** | $0 | $0 | $0 |
| **Expenditures** | $1,063,250 | $9,153,608 | $16,731,932 |
| **Net** | $1,063,250 | $9,153,608 | $16,731,932 |

**Impact on Revenues:** It is anticipated that there would be no impact on revenues resulting from the enactment of this legislation.

**Impact on Expenditures:** It is estimated that DHS contracted providers will start hiring a total of 180 mental health professionals when the law goes into effect, with 31 positions filled by July 31, 2024, and an additional 149 positions filled by July 31, 2025. The annual salary is estimated at $70,000 with a 33 percent fringe for a total of $93,100 per year for each position. The total estimated costs for 180 positions for a full year would be approximately $16.7 million. Because the law is anticipated to be effective for nine months only in Fiscal 2024, the prorated costs are estimated to be $1.1 million. For Fiscal 2025, total costs are estimated to be $9.1 million and growing to approximately $16.7 million by Fiscal 2026 and in the following fiscal years. These estimates assume a phased in hiring process over 22 months.

**Source of Funds To Cover Estimated Costs:** N/A

**Source of Information:** New York City Council Finance Division

The Mayor's Office of City Legislative Affairs

**Estimate Prepared By:** Julia K. Haramis, Principal Financial Analyst, NYC Council Finance Division

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**Legislative History:** This legislation was introduced to the Council on June 16, 2022, as Int. No. 522, and was referred to the Committee on General Welfare (the Committee). A hearing was held by the Committee on September 13, 2022, and the legislation was laid over. The legislation was subsequently amended and the amended version, Proposed Int. No. 522-A, will be voted on by the Committee at a hearing on March 2, 2023. Upon a successful vote by the Committee, Proposed Intro. No. 522-A will be submitted to the full Council for a vote on March 2, 2023.

**Date Prepared:** February 23, 2023