



HOMELESS SERVICES UNITED

307 W. 38TH STREET, 4TH FLOOR
NEW YORK, NY 10018
T 212-367-1589
www.HSUnited.org

New York State Joint Legislative Budget Hearing on Housing
February 27, 2025

My name is Kristin Miller, and I am the Executive Director at Homeless Services United. Homeless Services United (HSU) is a coalition representing over 50 mission-driven, homeless service providers in New York City. HSU advocates for the expansion of affordable housing and prevention services and for immediate access to safe, decent, emergency and transitional housing, outreach and drop-in services for homeless New Yorkers. Homeless Services United promotes effective solutions to end the crisis of homelessness in New York City.

We urge the legislature to pass the Housing Access Voucher Program (HAVP) S72/A1704 and am urging the Legislature and Governor to establish HAVP and appropriate \$250 million for the program in the FY26 budget.

The HAVP would create a flexible, statewide Section 8-like voucher to be used by people at risk of or experiencing homelessness. Addressing New York State's affordable housing crisis will require sustained coordination and investment from all levels of government, through various policy levers, but New York State can and must take immediate action to prevent New York's homelessness crisis from worsening by establishing and funding HAVP in this year's budget. Research finds that HAVP would provide close to 13,000 households with vouchers, helping tens of thousands of New Yorkers move out of and avoid homelessness.¹ Providing timely access to permanent housing through rental assistance is an effective means to prevent homelessness and create capacity within the emergency shelter system.

We urge the legislature to create adequate safeguards to prevent abuse of involuntary commitment and ensure adequate investments for resources clients.

While the use of involuntary commitments could be a useful clinical tool, we are concerned with the potential harm. We ask the legislature to ensure there are guardrails in place so that involuntary commitments are only used in the most extreme of cases. Without these guardrails, we may deter people from seeking necessary mental health services because of fear over coerced treatment.²

Additionally, it is important that we consider what happens to individuals after the involuntary commitment. Involuntary commitments won't be worthwhile if both acute hospitalizations and

¹ Raetz, H., Dong, J., Murphy, M., Been, V. (2023). *Critical Land Use and Housing Issues for New York State in 2024: A State-Level Rent Voucher Program*. The NYU Furman Center for Real Estate and Urban Policy. https://furmancenter.org/files/publications/2_A_State-Level_Rent_Voucher_Program_Final.pdf; Tager, H., Gamboa, M., Mann, C. (2024, February) *The Housing Access Voucher Program: Saving New York State \$200 Million and Preventing Homelessness for Tens of Thousands of New Yorkers Every Year*. WIN. <https://winnyc.org/wp-content/uploads/2024/02/HAVP-Report.pdf>

² Lisa, K. (2024, November 20). Mental health experts push back on bill introduced after Manhattan stabbings. *Spectrum News 1*. <https://spectrumlocalnews.com/nys/buffalo/politics/2024/11/21/mental-health-experts-push-back-on-bill-intro-d-after-manhattan-stabbings>

sometimes subsequent state hospitalizations are not long enough to meet the treatment needs of the individuals.

If the state is going to utilize involuntary hospitalizations, it is crucial that we adequately invest in client care resources so that there is a clinician available to treat the client. Equally as important is funding adequate psychiatric provider capacity with outreach teams, safe havens, shelters, and adequate bed capacity at safe havens, shelters, supportive housing.

We urge the legislature to stand with nonprofit providers and support financial losses in the face of federal funding cuts.

The new administration has created much uncertainty for nonprofit providers here in NYS.³ Between the proposed federal funding freezes and federal staff firings, many providers are concerned over the reliability of funds from the federal government.

Most recently, the administration has proposed cutting the staff at Department of Housing and Urban Development (HUD) by 50%. Some offices in HUD are being cut at higher rates.⁴ We know that destabilizing HUD will have dire results, including the closure of homeless shelters and households receiving rental assistance may see evictions due to delays.

Given the uncertainty of federal resources and proposed cuts, we ask the legislature to be ready to support the financial needs of homeless service providers that will lose federal funding through these proposed cuts and shelter the New Yorkers who would lose housing through the loss of federal subsidized housing programs.

With this looming financial threat in mind, it is all the more important that NYS and localities register contracts in a timely manner and pay nonprofit homeless service providers for their services on time.

We urge the legislature to include a 7.8% cost-of-living adjustment (COLA) across the human services sector for FY26.

We are happy to see the inclusion of a 2.1% COLA for the State-contracted human services sector in the proposed budget. However, a more comprehensive COLA is needed to alleviate the financial strain workers are experiencing throughout the sector. The 7.8% would build upon the 2.1% inflation adjustment already outlined and would help rectify previous COLAs that excluded many human service workers. We thank the legislature for their previous support and hope the legislature will continue to champion human service workers who safeguard the wellbeing of our most vulnerable New Yorkers.

³ Oreskes, B., Newman, A. (2025, January 28) Nonprofits in New York Are Told Their Contracts 'Have Been Paused'. *The New York Times*. <https://www.nytimes.com/2025/01/28/us/politics/nyc-nonprofit-contracts.html>

⁴ Kleimann, J. (2025, February 24). Internal memo outlines DOGE's plan to gut HUD. *HousingWire*. <https://www.housingwire.com/articles/internal-memo-outlines-doges-plan-to-gut-hud/>



HOMELESS SERVICES UNITED

307 W. 38TH STREET, 4TH FLOOR
NEW YORK, NY 10018
T 212-367-1589
www.HSUnited.org

We ask the legislature to amend the Aid to Localities to eliminate the Adult Shelter Cap and equitably share the cost of shelter between New York State and localities.

The Adult Shelter Cap reimburses New York City for the cost of adult shelters and other services to unhoused people. The Cap has remained flat funded at \$69M since 2012 and represents less than 5% of the NYC DHS shelter and street outreach costs.⁵ The City's share has more than tripled from \$244.6M in 2013 to \$809.8M in 2022. Over time the State has been decreasing the portion of support it gives to NYC, placing more and more burden on New York City. For many years, the amount the State provides to support the Safety Net program was 50/50. Today the state only contributes 29% to all districts across the state, and localities must contribute 79%. Equitably sharing the cost of shelter will ensure sustainability of the homeless services safety net.

We urge the legislature to include \$32 million in funding for the New York State Supportive Housing Program (NYSSHP).

We are grateful to see the increased funding of \$17.8 million in Executive Budget; however, this investment is not enough to adequately support the 9,000 units that are severely underfunded. We are asking the Senate and Assembly to meet the significant need of these units by including \$32 million in their One House budget resolutions.

We ask the legislature to modify requirements to rental arrears programs to ensure that tenants experiencing housing instability can more easily preserve their housing.

HSU supports S913/A1501, which would remove the requirement that a court proceeding be initiated against an individual to obtain rental assistance. This requirement only delays assistance, especially in instances where eviction is imminent. HSU also supports S1458/A1504 which would remove the requirement that rent arrears be repaid. The requirement that rental arrears be repaid often serves as a deterrent that ends up discouraging eligible tenants from applying to the program.

We ask the legislature to include A108, which would raise personal and special needs allowance for homeless shelter residents, in their respective One House Budget Resolutions.

The allowance is supposed to help individuals experiencing homelessness afford essentials like toiletries, transportation, medication, and clothes, but the amount hasn't been raised in decades. Increasing the needs allowances would allow those experiencing homelessness purchase important personal hygiene and wellness items, including diapers, shampoo, menstrual products, over the counter medicine, and other necessities, like laundry supplies and clothing.⁶

⁵ Salant, C. (2023, March). *How Have City Costs for Homeless Shelters Changed With Shifts in State and Federal Support?* New York City Independent Budget Office. <https://www.ibo.nyc.ny.us/iboreports/how-have-city-costs-changed-with-shifts-in-state-and-federal-support-for-homeless-shelters-march-2023.html>

⁶ New York City Bar. (2022, January 11). *Increase Needs Allowance for Shelter Residents*. <https://www.nycbar.org/blogs/increase-needs-allowance-for-shelter-residents/>



HOMELESS SERVICES UNITED

307 W. 38TH STREET, 4TH FLOOR
NEW YORK, NY 10018
T 212-367-1589
www.HSUnited.org

We urge the legislature to raise the cash assistance grants and the shelter allowance in their One House Budget Resolutions.

Insufficient public benefits perpetuate the cycle of poverty, poor health outcomes and food insecurity, which lead to a host of other poor outcomes including lower graduation rates, higher unemployment, and higher involvement with the criminal justice system. Public assistance benefits have not been raised for years, with some remaining stagnant for decades: the basic allowance, intended to cover food and other necessities, was last increased in 2012; the home energy allowance, which pays for electric and heating utilities, has not increased since the 1980s; and the shelter allowance has remained the same for adult-only households since 1988 and for families with children since 2003.⁷

HSU supports S1127/A106, which would increase cash assistance grant amounts for utilities and food and other necessities to account for inflation. Many New Yorkers rely on cash assistance grants to cover the cost of shelter, utilities, food and other necessities, like home heating bills or to purchase groceries, medications, clothing. The cost of utilities and groceries have significantly increased over the years, but the grant amounts have not been raised for years. This bill would adjust the grant amounts to account for inflation since the amounts were originally set in the 1980s. HSU also supports S1454/A1507, which would increase the shelter allowance to the actual rent cost up to 100% of the Fair Market Rent (FMR).

By raising the allowances, New York State can reduce poverty and homelessness and increase long-term positive health and social outcomes for its residents.

⁷ Requena, G. S. (2024, January 31). *Testimony of New Destiny Housing to the New York State Joint Legislative Budget Hearing on Human Services*. New Destiny Housing. <https://newdestinyhousing.org/testimony-20240131-nys-budget-hearing/>