

HSU ON THE FEDERAL GOVERNMENT SHUTDOWN

The federal government shutdown began at 12:01 a.m. on October 1, 2025, and has now entered a second week with no clear timeline for resolution. Homeless Services United (HSU), a coalition of more than 55 nonprofit organizations serving homeless and housing-insecure New Yorkers issues this statement to clarify what the ongoing federal government shutdown means for our clients, our member agencies, and city and state partners.

“While our federal government has shut down, HSU’s members are diligently servicing thousands of homeless and housing-insecure New Yorkers in the face of uncertainty. An extended shutdown would have adverse consequences for both clients and providers. We need Congress to work together to pass a budget that protects New Yorkers during an ongoing affordability crisis, fully funds vital HUD programs, and includes Continuum of Care funding,” said Kristin Miller, Executive Director of HSU. **“While we push Congress to reopen the government, we continue to focus on protecting client stability, keeping providers’ doors open, and reducing confusion in a fast-changing environment.”**

Here is what our members, New Yorkers, and our partners should know about the shut down and what may be impacted:

What New Yorkers need to know today:

- Core benefits continue: Social Security, Medicare, and Medicaid payments are continuing; some in-person and field-office services are limited.
- Food assistance: SNAP benefits are continuing for now. WIC is operating on limited contingency funds and could face disruption if the shutdown extends; states’ stop-gap responses vary. Clients should continue to submit applications and recertifications on time.
- Housing & homelessness systems: For now, tenants in HUD/USDA-assisted housing should continue to have rents covered in the near term. However, reduced federal staffing is slowing core administrative functions, inspections, landlord payments, grant processing, and new grant cycles/NOFOs, especially if the shutdown persists.
- Federal/contract workforce: Furloughs and unpaid work are affecting federal employees and contract staff/vendors who support housing and homelessness programs, creating additional bottlenecks that can delay local services.
- State & local impacts: Some programs can continue temporarily through advance or carryover funds, but uncertainty grows with duration. Certain authorizations (e.g., TANF) lapsed on Sept. 30, limiting new funding actions until appropriations resume.

What New York City, New York State, and other partners can do to support New Yorkers and nonprofit organizations:

- Issue clear written guidance, and keep it updated, on SNAP, WIC, housing payments, inspections, and recertifications so frontline staff can give consistent answers.
- Designate single points of contact by program area (vouchers, inspections, landlord issues, benefits) for rapid problem-solving during limited federal capacity.
- Accelerate outstanding contract payments to human-services providers to stabilize cash flow while reimbursements and federal actions are delayed.
- Support multilingual public messaging and provider toolkits to reduce misinformation and missed deadlines.
- Misinformation is rising, especially for non-English-speaking households. Clear, multilingual updates are essential, so people do not miss deadlines or lose benefits due to paperwork issues.

Guidance for HSU members and other nonprofit service providers:

- Do not pause client benefit work. Continue applications and recertifications for SNAP, WIC, Medicaid/Medicare, SSI/SSDI; help clients keep documentation current.
- Communicate with landlords early and often about expected rent disbursements; document any late or missing payments and share escalation contacts.
- Track disruptions tied to the shutdown (inspections, payments, grant processing, voucher issuance, NOFO timing).
- Plan for cash-flow stress. Update contingency budgets, speak with banking partners about short-term facilities if required, and avoid service interruptions, where possible.
- Translate critical materials and use community channels to reach households at risk of missing paperwork or deadlines.

Guidance for clients and the public:

- Meet required deadlines. Continue to submit applications and recertifications; do not skip appointments.
- If you receive rental assistance, keep paying your tenant's share on time.
- Bring any confusing notice to your case manager or provider right away; many federal offices are operating with limited services, and local help can prevent missed benefits.
- For urgent housing/legal questions, ask your provider about legal aid referrals for city services, call 311.

Risks we are watching:

- Duration & escalation: The longer the shutdown lasts, the more likely contingency funds (especially WIC) will be exhausted, and administrative backlogs will grow.
- HUD grants & applications: Renewals, new applications, and NOFO timelines may be delayed, affecting 2025–26 funding cycles and projects.
- Voucher operations: Slowed voucher issuance/recertifications and inspection scheduling could increase landlord uncertainty.
- Eviction risk: If payment delays extend past contingency windows, some landlords may initiate proceedings; clear and quick communication and legal support are vital.
- Federal/contract staffing: Prolonged furloughs and potential reductions in the workforce could erode federal capacity beyond the shutdown period.
- Misinformation: Higher risk for non-English-speaking households; multilingual outreach is essential.

HSU and our 55+ member organizations remain committed to dignity, safety, and stability for every New Yorker we serve. We will continue sharing verified updates and practical tools so providers can keep delivering care, and so families can keep the benefits and housing that sustain them.

