



NEW YORK STATE SENATOR

Nathalia Fernandez

Senator Nathalia Fernandez Raises Alarm Over Sudden Freeze of Federal Funding for Addiction, Mental Health, and Public Health Services

NATHALIA FERNANDEZ March 26, 2025

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ALBANY, NY — Senator Nathalia Fernandez, Chair of the Senate Alcoholism and Substance Use Disorders Committee, is raising urgent concerns following the sudden and unlawful termination of critical federal grants supporting addiction services, mental health care, and public health programs across New York State.

On March 25, providers received official notice that three federal grants—funded through the **Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)** and the **American Rescue Plan Act (ARPA)**—were terminated effective immediately. The decision, issued by the Trump Administration, impacts grants that were statutorily set to remain available through **September 30, 2025**.

The freeze affects programs across three major health sectors:

- **Addiction services funded by Substance Abuse Prevention and Treatment (SAPT) Block Grant Supplements (SAPT I and II)**

- **Mental health services funded by Community Mental Health Services Block Grant Supplements**
- **Public health programs, including COVID mitigation efforts funded through ARPA, impacting the Department of Health (DOH)**

“As Chair of the Senate Alcoholism and Substance Use Disorders Committee, I know these funds are lifelines for people fighting to survive. This sudden freeze threatens the progress we’ve made to prevent overdoses, support recovery, and strengthen our communities. It also puts jobs on the line—jobs held by dedicated professionals who show up every day to save lives. In moments like this, we’re reminded that government has a responsibility to protect its people, not abandon them. We will not stand by while vital services are ripped away from those who need them most. At the very least, the state must step in with 60 days of emergency funding to protect these programs—and the jobs they sustain—while we work to resolve this emergency,” **said New York State Senator Nathalia Fernandez.**

“Freezing funding for recovery programs during an opioid epidemic is unconscionable,” **said Senator Harckham.** “These programs are lifelines to individuals struggling with Substance Use Disorder—cutting their funding will devastate thousands of New Yorkers battling addiction and mental health issues. The Trump administration must reverse this reckless decision.”

"I join Senator Fernandez in denouncing the sudden freeze of essential grant funding for addiction, healthcare, and mental health services by the Trump administration," **said State Senator Gustavo Rivera.** "This shortsighted decision in the name of 'cutting spending' will significantly impact those already budget strained providers that rely on this funding to run their life saving programming. I am ready to push back because we cannot stand idly by while this administration slashes funding without considering the real world consequences

of those cuts."

Initial reports indicate that up to **\$180 million in essential grant funding** that providers expected to access through the Office of Addiction Services and Supports (OASAS) and the Office of Mental Health (OMH) is now at risk. The full impact on the Department of Health (DOH) is still being assessed.

Effective immediately, providers cannot access or be reimbursed for services delivered after March 24. This decision is expected to hit hardest in prevention, recovery, and harm reduction programs—services designed to reach vulnerable populations and often excluded from Medicaid reimbursement.

These grants were created to support the very programs keeping New Yorkers healthy, safe, and connected to care. Their sudden termination leaves providers scrambling and threatens to undermine progress in addressing addiction, mental health, and public health crises across the state.

Senator Fernandez is urging state leaders to step in with **60 days of emergency funding** to protect services while exploring legal options to challenge the federal decision.

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