

NYS FY 2026 Joint Legislative Budget Hearing on Mental Hygiene
Housing Works Testimony
February 4, 2026

Thank you for the opportunity to submit written testimony to the Joint Budget Hearing on Mental Hygiene on behalf of Housing Works, a healing community of people living with and affected by HIV/AIDS. Founded in 1990, Housing Works now provides a range of integrated services for over 15,000 low-income New Yorkers annually, with a focus on the most vulnerable and underserved—those facing the challenges of homelessness, HIV/AIDS, mental health issues, substance use disorder, other chronic conditions, incarceration, and, most recently, migrants displaced from their homes due to violence or other crises who seek safety and a better life in the United States. In 2019, Housing Works and Bailey House merged, creating one of the largest HIV service organizations in the country. Our comprehensive prevention and care services range from medical and behavioral health care, to housing, to job training. Our mission is to end the dual crises of homelessness and AIDS through relentless advocacy, the provision of life saving services, and entrepreneurial businesses that sustain our efforts.

Housing Works is a founding member, and CEO Charles King sits on the Board of Directors, of the **New York State Harm Reduction Association** (NYSHRA),¹ an association of drug treatment providers, prevention programs, people who use drugs and their family members, committed to addressing racism in systems addressing substance use, and to incorporating validated harm reduction approaches within prevention and treatment. We have come together to leverage our voices of advocacy, public policy, and clinical expertise in order to promote harm reduction in New York State as a scientifically based treatment appropriate for substance use disorder, as well as a lifestyle approach to people who use substances. Housing Works and NYSHRA are on the front lines of the overdose epidemic, providing a wide array of direct harm reduction services including syringe exchange programs, medication for opioid use disorder (MOUD), and naloxone distribution.

Housing Works is a founding member of three other important community coalitions formed to advance public health priorities and address health inequities: the **End AIDS NY Community Coalition**, a group of over 90 health care centers, hospitals, and community-based organizations across the State committed to realizing the goals of our historic New York State *Blueprint for Ending the Epidemic* (EtE), a set of evidence-based recommendations for ending AIDS as an epidemic in all New York communities and populations;² **iHealth NYS**,³ a collaborative of community-based organizations united to advocate for and negotiate on behalf of our communities, our members and the chronically ill healthcare recipients we serve and to represent those programs and people within the broader healthcare system, and **Save New York's Safety Net**, statewide coalition of community health clinics, community-based organizations and specialized HIV health plans committed to serving vulnerable New Yorkers across the State, ending the epidemic, and preserving the critical investments of the 340B Federal drug discount program in order to achieve those goals. Housing Works CEO Charles King is also a proud member of the **New York State Hepatitis C (HCV) Elimination Task Force**.

¹ <https://nyshra.org>

² We address certain key EtE priorities in this testimony and have attached the full set of EtE Community Coalition *FY27 NYS Budget and Policy Priorities*.

³ <https://www.ihealthnys.org>

Housing Works will focus our testimony on two urgent crises facing New York City and New York State—the tragedy of preventable drug-related mortality and the ongoing failure to meet the needs of New Yorkers struggling to manage mental health issues while experiencing homelessness or housing instability. Housing Works, NYSHRA, and the EtE Coalition call upon the Governor and Legislature to reject failed coercive and criminalization approaches and instead make urgent additional investments in the FY27 budget to significantly and rapidly scale up the State’s response to mental health issues and the opioid crisis by increasing access to services, removing barriers to care, and upholding best practices including harm reduction approaches.

Make Urgent Investments to Stop the Overdose Epidemic and Improve Drug User Health

Housing Works operates the first substance use treatment program licensed by the NYS Office of Addiction Services and Supports (OASAS) to use a harm reduction approach, and we are pleased that several other providers have adopted our policies and procedures to implement harm reduction in their own licensed programs. Our OASAS-licensed program includes short-term, goal-oriented treatment using evidence-based cognitive behavioral treatment models, as well as individual and group treatment strategies, and is fully integrated with all our other programs, including services funded by the NYS Office of Mental Health (OMH) and the Health Home program, facilitating referrals to and from primary care, case management, and other behavioral health services. This approach enables our providers to meet clients where they are and support clients in developing truly personalized recovery plans, allowing us to work with the most hard-to-reach and underserved populations.

For years, Housing Works has advocated for NYS to adopt treatment modalities for substance use disorder that are not rooted in abstinence, and we have applauded movement in this direction by OASAS in recent years, including adoption of regulations that allow for expansion of treatment under a harm reduction modality. Through these regulations, service providers from clinicians to peers have the opportunity to offer appropriate care that is increasingly free of the harmful barriers contained in abstinence-only approaches. Equally important, the regulations require that all licensed treatment programs provide access to medication for opioid use disorder (MOUD), the gold standard of care for opioid use disorder. However, at a time when harm reduction approaches are under attack from the federal government, renewed commitment and additional resources are needed to advance evidence-based harm reduction strategies, especially in rural areas of the State.

As we all know, impacts from COVID-19, from physical distancing to wide-ranging unemployment, led to isolation, stress, and despair among many people, including people who use drugs. These factors increase the risk of infectious disease and other poor health outcomes, the most tragic being the dramatic and unprecedented acceleration in overdose deaths. The national increase in drug-related mortality has hit New York hard. In March the CDC released preliminary data showing a 32% drop in overdose deaths among New Yorkers in 2024, compared to a comparable period in 2023 - from 6,688 deaths in 2023 to an estimated 4,567 deaths in 2024. This decrease is, in large part, attributable to the effectiveness of harm reduction services across New York State. Despite this encouraging decline, however, the number of overdose deaths due to cocaine and stimulants actually increased between 2020 and 2024, and the only group that experienced an overall decline in overdose deaths between 2020 and 2024 were white New Yorkers. Fatal overdose INCREASED between 2020 and 2024 among all other races and ethnicities, with Black New Yorker having the highest rate of fatal overdose in 2024 (39.9/100,000), followed by American Indian Alaskan Natives ((28.8/100,000) and Latino New Yorkers (25.4/100,000). Rates of overdose death

also varied significantly by county in 2024, with the highest rate of 50.3/100,000 in the Bronx, and high rates in Erie (34.1/100,000) and Monroe (36.1/100,000) counties.

Some 4,567 New Yorkers dies of avoidable overdose deaths in 2024, and overdose remains a leading cause of premature death in NYC, and an urgent public health priority across New York State.

While we have been pleased by this Administration's stated commitment to a public health approach that recognizes the importance of harm reduction strategies, it is likely that avoidable harms including preventable deaths will continue at tragic scale unless we significantly scale up every evidence-based harm reduction strategy, including authorizing overdose prevention centers. The full range of harm reduction approaches to improve drug user health are in urgent need of investment by the Governor and Legislature to promote equity and evidence-based practice. Harm Reduction programs provide essential, evidence-based services for people who use drugs including medical care, education, counseling, referrals, medication for opioid use disorder, and syringe services. Community-based harm reduction programs also help in our efforts to reduce new HIV, HCV, and STI transmissions.

In the face of recent Trump administration action to bar SAMSHA discretionary grants from funding some harm reduction programs, it is critical for NYS leadership to maintain its commitment to best practices by acknowledging, promoting, and adequately funding harm reduction as an evidence-based model of treatment for substance use disorder.

Invest at least an additional \$10M in the FY26 budget to scale up harm reduction services provided through the NYSDOH AIDS Institute, Office of Drug User Health to significantly and rapidly scale up the State's response to substance use disorder and the overdose crisis by increasing access to services, removing barriers to care, and embracing best practices including harm reduction approaches, including syringe exchange programs, Drug User Health Hubs, the purchase of harm reduction supplies, drug checking machines and vending machines. The Office of Drug User Health (ODUH), established in 2016, houses several initiatives, each aligned with the philosophy, principles, and practices of harm reduction. Harm reduction recognizes that people engage in drug-related and sexual behaviors that carry a risk for harm, including HIV and HCV infection, opioid overdose and, sometimes, death. Harm reduction empowers individuals to mitigate these risks in ways that protect themselves, their partners, and their communities.

Syringe Exchange Programs are not only just places where people can acquire and dispose of syringes, but also multi service agencies for people who use drugs. Program participants can avail themselves of individual counseling, support groups, care management/health home, insurance eligibility counseling, mental health support, low threshold medical care, reproductive health care and consultation, syringe exchange, accessible buprenorphine prescribing for opioid use disorder and other ancillary services such as drop-in-centers, meals/food, bathrooms, hygiene kits as well as many other services. Likewise, the Drug User Health Hub is an innovative model in health care for people who use drugs. Drug User Health Hubs respond to the urgency of the drug overdose crisis in New York State by improving the health care systems and partnerships that keep people who use drugs safe and alive.

During 2024, approximately 47,500 participants received services in the Syringe Exchange Programs and Drug User Health Hubs with almost 281,000 unique encounters across all the programs. This shows that participants tend to visit a SEP/Hub multiple times a year. Some 10,000 New Yorkers

received some type of Medication for Opioid Use Disorder (MOUD) counseling or clinical service in the SEP/Hub system.

Expansion of the SEP/Hub system in rural areas is particularly urgent. Recent rural hepatitis C and HIV outbreaks underscore the need to expand SSPs statewide through increasing funding for the AIDS Institute, the division within the Department of Health that drives response to HIV, Hepatitis C, and a range of drug user health services.⁴ Funding is needed to expand SEP services, including throughout rural areas.

Additional funding for naloxone distribution is also needed. Naloxone is a highly effective tool for opioid overdose reversal that is used by medical professionals and the public alike. As naloxone distribution programs have expanded drastically, funding has not kept pace with the demand. We support S5786 (Sepulveda)/A1748 (Rosenthal), the “Naloxone Everywhere” bill that requires key public institutions to carry opioid antagonists, improving readiness for bystander reversal and reducing overdose deaths.

Funding is also needed to expand the innovative AIDS Institute ODUH Drug Checking program. People who use drugs are facing an increasingly unpredictable and potent drug supply. The Drug Checking program is using technology to analyze substances and provide people with safer use information. Funding will support additional drug checking equipment and annual program operations and agency oversight. We also urge passage of S56 (Fernandez)/A808 (Kelles) to provide immunity for drug-checking services and support statewide expansion of this DOH program.

Harm Reduction programs provide essential, evidence-based services for people who use drugs including medical care, education, counseling, referrals, medication for opioid use disorder, and syringe services. It is time to acknowledge, promote, and adequately fund harm reduction as an evidence-based model of treatment for substance use disorder.

In addition to dramatically reducing overdose deaths, harm reduction programs have been demonstrated to dramatically reduce transmission of both HIV and Hepatitis C, saving millions in public health spending in Medicaid.

Approve and provide at least \$10M in State funding for Overdose Prevention Centers.

With the continuing crisis of preventable overdoses, an ever more toxic drug supply, and the unacceptable disparity in deaths among Black, Latino, and low-income New Yorkers, it’s time for New York State to employ all available evidence-based strategies to address the State’s opioid crisis, reduce related health inequities, and promote drug user health. In addition to the harm reduction interventions and strategies described above, it is time for New York to implement another proven strategy for preventing avoidable drug overdose deaths—Overdose Prevention Centers (OPCs). ***We support the Safer Consumption Services Act, A4916/S7617 (Rosenthal/Rivera,) and strongly urge the Hochul Administration to approve and the Governor and Legislature to enact legislation to***

⁴ NYSDOH AIDS Institute. *HEALTH ADVISORY: Preliminary data indicate continuing transmission and a recent increase in new HIV diagnoses among people in a previously identified cluster with a history of injection drug use in Broome County.* July 18, 2025. Available at : https://www.health.ny.gov/diseases/aids/providers/health_advisories/docs/health_advisory_broomehiv.pdf

allow and provide at least \$10M in funding to support OPCs co-located with Syringe Service Programs.

Considering recent Trump Administration threats of federal action to try to shut down NYC's two OPCs – programs that have served 7,011 participants and intervened in 2,004 overdoses since they opened in November 2021, saving an estimated \$58M in avoided public health spending – it has never been so important for government to exercise its power to authorize OPCs as an evidence-based public health intervention to address our opioid and overdose crises.

OPCs are an evidence-based intervention proven to reduce overdose deaths while increasing access to health care and substance use treatment. Over 120 Overdose Prevention Centers operate effectively worldwide, and numerous studies have shown that they are highly effective in both reducing drug-related overdose deaths and increasing access to health care and substance use treatment. OPCs are endorsed by many local and national medical and public health organizations, including the American Medical Association and the American Public Health Association.

We call on the State for \$10M in funding to establish at least ten OPCs across NYS. OPCs provide sterile supplies and controlled settings for people to use pre-obtained drugs under the supervision of trained professionals who can intervene in case of an overdose or other medical event, while also gaining access, onsite or by referral, to routine health, mental health, drug treatment and other social services. OPCs are an evidence-based intervention proven to reduce overdose deaths while increasing access to healthcare and substance use treatment. New York should follow the lead of Minnesota, Rhode Island and Vermont and pass legislation permitting the operation of OPCs and the use of State and local public funding to support their operation. Supporting these efforts will save countless lives and continue NYS's longstanding leadership in the opioid response.

Expand OASAS housing to include harm reduction models and provide \$10M in additional funding for harm reduction-oriented supportive housing for people with substance use disorder.

Since our founding in 1990, Housing Works has been committed to providing low-threshold, harm reduction housing that recognizes that safe, stable housing is an essential baseline for achieving other medical and behavioral health goals. Persons with substance use disorder experience high rates of homelessness and housing instability, exacerbating chaotic and harmful substance use and making it difficult or impossible to achieve harm reduction goals. Our experience and ample research demonstrate that stable housing is an essential component of effective harm reduction for individuals experiencing substance use disorder.

OASAS funds transitional and permanent supportive housing for people with substance use disorder, but limits access to this housing to individuals and families in recovery from substance use disorder or who began a course of abstinence-based treatment and/or recovery while experiencing homelessness, excluding persons engaged in a harm reduction approach. We call on the Governor and Legislature to ***expand OASAS supportive housing to include homeless people following a harm reduction path, not just those who have established success at abstinence, and to provide an additional \$10M in funding for harm reduction-oriented supportive housing*** for people with substance use disorder.

It is equally important to take steps to reduce homelessness among New Yorkers with drug-related convictions by removing barriers to the housing market. ***We call on the Governor and Legislature for immediate action eliminating prohibitions on renting to people with drug-related convictions.***

Limiting access to housing perpetuates the harms caused by the war on drugs by making it difficult or impossible to secure the safe, stable housing that is essential to fully reintegrate into society and advance employment and other goals.

Fund an additional \$5M for full implementation of the NYS Hepatitis C Elimination Plan.

Improving drug user health also requires urgent action to eliminate Hepatitis C (HCV). While we were extremely pleased by the November 2021 release of the [New York State Hepatitis C Elimination Plan](#), a set of concrete recommendations developed with broad community and expert input under the direction of a [Statewide HCV Elimination Task Force](#) (HCV TF), we are deeply concerned that the additional financial investments to fully implement the Plan’s recommendations have not been made, and that the FY27 Executive Budget continues to flat fund HCV initiatives at only \$5M per year. It is imperative to fully implement the *HCV Elimination Plan*, completed in 2019, without further delay. ***We call on the Governor and the Legislature to provide at least \$5M in additional funding for HCV elimination in the FY27 budget (bringing total HCV funding to at least \$10M annually), to enable the NYSDOH to more robustly implement this lifesaving initiative.*** We call for maintenance of all existing hepatitis C related funding and additional funding to: 1) employ additional patient navigators in traditional and non-traditional settings; 2) support funding to authorize additional tier 1 Syringe Service Programs, with a specific focus on rural areas; and 3) provide support to local health departments by hiring additional hepatitis C surveillance officers.

Patient Navigators are essential advocates demonstrated to significantly increase linkage to care and curative treatment by helping individuals navigate often complex health care systems, address financial and logistical barriers, connect patients to community resources, and help reduce stigma and disparities. Syringe Service Programs are a proven component of effective HCV prevention and care, shown to both significantly reduce transmission and provide accessible access to testing and curative treatment – saving lives and avoidable health spending. Rural areas in Central and Western New York are particularly lacking in SSP services. Given the prevalence of HCV in these areas, we strongly urge investment in additional tier 1 Syringe Service Programs, with a specific focus on rural areas of the State. Effective public health surveillance is also a crucial component of our HCV Elimination plan. We urge investment to hire additional staff in local health departments across the State to increase targeted HCV surveillance, monitor hepatitis trends, detect changes in risk factors, rapidly control HCV outbreaks and accurately represent disease burden.

We also urge the State Department of Health to expand the Scope of Practice for Nurse Practitioners to Provide HCV Care and Treatment. Adequate access to medical providers able to prescribe curative direct acting antiretrovirals (DAAs) continues to be a barrier to reaching our HCV treatment goals, yet restrictions remain on the ability to prescribe DAAs based on licensure. To address this barrier, we urge the State to expand the scope of practice for all nurse practitioners, regardless of certification, to provide these medications, limiting the need to refer individuals out and potentially lose them to follow up.

Oppose legislation to increase penalties for fentanyl or create “death by dealer” statutes.

Housing Works, NYSHRA, and the EtE Coalition strongly oppose any legislation which adds additional fentanyl analogs and/or xylazine to the New York State Controlled Substance list, establishes new crimes for possession with intent to sell, and sale of fentanyl analogs, xylazine, and/or “imitation substances,” and establishes stricter penalties related to overdose deaths where fentanyl or fentanyl analogs, xylazine, or “imitation substances” are involved.

Scheduling additional fentanyl analogs, xylazine, or “imitation substances” will not make New York safer. Rather than diminishing the harms of drug use, criminalizing people who possess and/or use drugs amplifies the risk of fatal overdoses, increases stigma and marginalization, creates racial and economic disparities in enforcement, and drives people away from needed treatment, health, and harm reduction services.⁵ Substantial evidence demonstrates that criminal penalties do not have any effect on reducing either the supply of drugs or the demand for them. Additionally, the penalties incurred by substances being on the Controlled Substances list will not reduce fentanyl and other synthetic drug distribution in New York. The process of adding fentanyl and other substances into drug formulations is usually done early in the production process. According to the Drug Enforcement Administration, these substances are generally added to substances before they enter the US. Therefore, low-level sellers may not know the substances they are distributing contain fentanyl and/or other substances.

Likewise, creating new crimes for substances, including drug induced homicide, will only hinder overdose responses and repeats the mistakes of the war on drugs. Recent reforms to the criminal justice system in New York have aimed to repair and undo the harms caused by mass incarceration and the drug war. There is ample evidence that the harms of the drug war disproportionately impact poor people and communities of color. Increasing penalties on fentanyl and other synthetic substances is akin to the devastating crack vs. powder cocaine disparities of the past, which will only further increase racial disparities in criminalization of drug users. Increasing use of archaic drug-induced homicide statutes does not protect individuals. Arresting and detaining a person for selling or giving a small amount of drugs to another person does nothing to interrupt the availability of fentanyl or any other substances.

The imposition of harsh penalties for possession and/or distribution is also likely to undermine the work that New York is doing to prevent overdose deaths. For example, New York’s Good Samaritan law encourages people to contact emergency services in the event of an overdose. The threat of police involvement and jail or prison time may make an individual hesitant to call emergency services rather than help the person who is experiencing an overdose.

Further criminalizing the sale of substances does nothing to increase public health and safety, nor curb drug use.

Decriminalize lifesaving buprenorphine.

Remove this essential MOUD medication from the list of substances it is illegal to have in one’s possession. Buprenorphine, an effective treatment for substance use disorder, was approved for prescription in 2000, but remains out of reach for many. We support S2331(Rivera)/A1647 (Rosenthal) to reclassify buprenorphine, protecting individuals seeking treatment from prosecution.

Protect compassionate overdose response.

Under current state law, available opioid reversal agents are limited to naloxone (brand name Narcan) and other medications approved by the Department of Health for the same purpose.

⁵ See, e.g., Friedman et al., Relationships of Deterrence and Law Enforcement to Drug-Related Harms Among Drug Injectors in US Metropolitan Areas, 20(1) *AIDS* 93, 93-99 (2006); Caitlin Elizabeth Hughes and Alex Stevens, What Can We Learn from the Portuguese Decriminalization of Illicit Drugs? 6 *British Journal of Criminology* 50 (2010).

S4150/A265 was introduced to require the Department of Health to make available any FDA-approved formulations and dosages of opioid overdose reversal agents. The bill passed in the Assembly, and was held in the Senate Committee on Alcoholism and Substance Use at the end of the 2025 legislative session. We oppose this bill due to insufficient evidence demonstrating these alternative agents' improvement on survival rates and their demonstrated harms to people who use drugs.

The media and pharmaceutical companies have misrepresented data to justify the sale of higher-dose, longer-acting and more expensive products. Relying in part on this misinformation, and on alleged shortages of Narcan in some areas of the State, this legislation is based on concerns that the standard 4mg intranasal naloxone is less effective than higher doses or longer-acting agents. However, studies, including one from the Department of Health, show no improvement in survival rates between 4mg and the 8mg naloxone nasal spray, even with fentanyl involved. Critically, the 8mg dosage significantly increases the risk of opioid withdrawal symptoms—2.5 times higher, according to a Department of Health study. These withdrawal symptoms can lead users to re-dose opioids to alleviate these acute symptoms.

If this bill were to become law, it would require the Department of Health to make all FDA-approved reversal agents available without considering these withdrawal effects or treatment protocols. The state should allow the Department of Health to continue to determine which agents are made available based on the best current evidence

Advance Meaningful, Evidence-Based Solutions to New York's Mental Health Crisis

Housing Works, NYSHRA, and the EtE Coalition continue to strongly oppose expansion of involuntary inpatient and outpatient commitment initiatives, and in particular any effort to involuntarily commit an individual based on a determination of “*substantial inability of the person to meet his or her basic need for food, clothing, shelter or medical care.*” For over 35 years, Housing Works has successfully employed low-threshold, harm reduction strategies to engage the most marginalized New Yorkers in effective care to address co-occurring medical, mental health, and substance use disorders. What we have learned first-hand is that New Yorkers struggling to cope with serious mental health issues face multiple, significant barriers to voluntary access to the care they seek, especially those who are also trying to survive without a safe, stable place to live. These often-insurmountable barriers include a lack of supportive housing, low reimbursement rates for needed services, a shortage of health care professionals, high caseloads, and low pay for contracted service workers that makes it difficult to recruit or retain staff. As one result, on any given day, there are approximately 1,400 people with serious mental illness in City jails, where mental health services are woefully inadequate, leaving our most vulnerable New Yorkers to cycle between the streets, shelters, and jails with little or no access to voluntary care.

Housing Works, on behalf of the vulnerable New Yorkers we serve and represent, implore New York City and State to transform the City's inhumane and ineffective response to the homelessness crisis by urgently adopting effective, evidence-based approaches that will save lives and money. We must stop criminalizing and harassing people experiencing homelessness through sweeps of the subways and encampments of those who opt for survival in public rather than entering frightening shelters, and stop stigmatizing people experiencing homelessness, especially those who are dealing with untreated or undertreated chronic medical and/or behavioral health issues while trying to survive in shelter or on the streets.

We must stop treating mental illness and substance use disorder among low-income New Yorkers as criminal justice rather than public health issues, and instead adopt harm reduction approaches that provide every New Yorker with the safe, stable housing necessary to engage in behavioral health care, including private rooms for those struggling with mental health issues. It is time to reduce reliance on large congregate facilities for homeless single adults and shift the creation of new capacity toward single-occupancy accommodations as well as smaller, low-barrier shelter designs such as Safe Haven shelters and single-occupancy stabilization beds for persons experiencing unsheltered homelessness.

There have been numerous excellent suggestions from mental health experts and professional on steps to dramatically increase access to voluntary mental health care and provide new opportunities and hope for New Yorkers with behavioral health needs. We will focus on evidence-based strategies drawn from our own experience at Housing Works.

Fund low-threshold stabilization facilities for people experiencing unsheltered homelessness.

Low-threshold facilities that combine a drop-in center with on-site medical and behavioral health care with private hotel rooms to provide transitional housing without preconditions are perhaps the most effective way to engage unsheltered persons with behavioral health needs who are unable or unwilling to access more traditional shelter or treatment programs.

From our beginning, Housing Works has been committed to a low-threshold, harm reduction approach to housing assistance, where admission and retention in housing is based on behaviors, rather than status as a drug user, person with mental health issues, or other condition. Residents are held accountable, as we all are, for the behaviors and conditions necessary to live safely with neighbors, are entitled to privacy within their own home, and are encouraged to feel safe to share behavioral health needs or crises without concern about jeopardizing housing security or being required to engage in a particular course of treatment. We have employed a “Housing First” approach for over 35 years, which prior to the current federal administration was widely acknowledged as an evidence-based model that was endorsed as best practice by HUD and HRSA.

On behalf of the homeless and formerly homeless New Yorkers we serve, we implore New York State leadership to continue to support and fund “housing first” low-threshold housing interventions from federal attacks. We are deeply grateful for New York Attorney General Letitia James’ leadership in bringing a lawsuit and securing a temporary injunction to protect billions of dollars in U.S. Department of Housing and Urban Development that provide housing and other services to help address homelessness through HUD’s Continuum of Care (CoC) program. For decades, CoC prioritized the “housing first” approach to fighting homelessness, providing immediate shelter to those in need without forcing them to meet burdensome requirements that can leave many without a safe place to sleep. In November, the Trump administration attempted to impose new and illegal conditions on CoC grants that threaten to upend the services the program supports, including a drastic cut in funding for permanent supportive housing that could result in the eviction of some 9,000 formerly homeless households in New York State, barring CoC funding from organizations that acknowledge the existence of transgender or nonbinary individuals or that practice harm reduction, excluding programs that provide services for mental disabilities and prioritize those that only serve people with physical disabilities, and imposing new conditions to withhold funds from regions that do not conform their local homelessness laws to the administration’s priorities regarding sweeps of persons experiencing unsheltered homelessness and

other forms of criminalization of homelessness. It is critical for New York State to stand firm in its support for evidence-based policies and housing interventions demonstrated to end homelessness for individuals and improve lives.

It is time to employ these evidence-based practices to address unsheltered homelessness. Bailey House and Housing Works have been working for over five years now to secure an underutilized hotel to house an exciting new pilot “street to home” program—our Comprehensive Stabilization Services Pilot Program. Our harm reduction stabilization hotel will operate 24/7/365 and offer participants intensive case management services, access to onsite medical and behavioral health services, peer supports at the co-located drop-in center, as well as immediate access to private rooms. The Stabilization Center will offer primary care and behavioral healthcare services, case management support, housing placement assistance, and navigation and referral services. The overarching goal of the Stabilization Center – like all Housing Works services – is to improve the health and well-being of clients experiencing street homelessness by providing low-threshold “Housing First” emergency housing and services delivered in a respectful manner using a harm reduction approach. We plan to evaluate the pilot rigorously, to continue to build our own competence to offer effective services, and to provide the evidence necessary to support advocacy for system-wide change.

Housing Works believes that this is the kind of innovation that is essential to a more humane and effective homeless response for New Yorkers with medical and behavioral health issues, but we have repeatedly lost potential sites due to avoidable hurdles, setbacks, and politics, and it is unclear whether the braided funding initially approved by NYC Department of Homeless Services is still available. It is imperative that the State and City take meaningful action to facilitate and streamline the process for converting underutilized hotels and commercial spaces to create affordable housing, including supportive housing programs. And equally important to provide funding for such innovative strategies designed to meet real need while rejecting approaches that instead criminalize and harass people experiencing homelessness.

Increase the Targeted Inflationary Increase for human services workers to at least 2.7%.

Housing Works also strongly supports the call for the Governor and Legislature to work together to increase the Targeted Inflationary Increase (TII, formerly the COLA) for human services workers from the 1.7% included in the Executive Budget proposal to at least 2.7%, in line with the July 2025 CPI-U. New York must make meaningful investments to close treatment gaps, eliminate disparities, and improve access to services by investing in the human services workforce. and addressing inflated operating expenses that service providers are struggling to pay. Human services providers fought hard last year for a 7.8% increase, which represented the total of the current inflationary increase of 2.9% (CPI July 2024) and the difference between the human services COLAs over the past three years (12.2%) and the CPI increases (17.1%) over that same period. Unfortunately, this effort failed and the FY26 enacted budget included only a 2.6% COLA, which advocacy groups widely described as inadequate for workforce stabilization. We are disappointed that the FY 2027, the Governor’s Executive Budget proposes an even smaller 1.7% TII for human services, including OMH and OASAS providers. Despite important recent investments in the behavioral health sector, due to decades of underfunding our state remains in a full-scale crisis characterized by ever-increasing demands for services, limited access to care, and an extremely hard-pressed workforce that the sector struggles to attract and retain. We urge the Legislature to fill the gap to ensure a 2.7% TII as minimum inflationary floor to address significant and persistent job vacancies and workforce shortages in mental health (MH) and substance use disorder (SUD) programs across

New York.

Moreover, while the small FY26 2.6% increase covers most behavioral health providers, programs created after the Cost of Living Adjustment (COLA) statute was enacted in FY07 are not included, and so many workers under contract with the State may be left out. For example, the Health Home Care Coordination program is excluded from the COLA granted to other programs, as are supportive housing programs. It is vital to broaden the applicability of the COLA. No worker should be left out due to technicalities, and all human services workers deserve the most basic COLA to keep up with inflation.

Address severe under-investment in the workforce and infrastructure of nonprofit providers.

Nor do COLA adjustments for human services providers, although critical, address the fundamental issue of inadequate compensation. Effectively addressing behavioral health needs, ending the AIDS epidemic, and addressing persistent medical and behavioral health inequities also requires action to address years of severe under-investment in the workforce and infrastructure of nonprofit providers. Housing Works urges the Governor and Legislature to act in this year's State budget to address urgent issues that threaten to undermine the stability and effectiveness of the State's essential health and human services organizations. We call for a \$21/hour minimum wage for all New York State funded health and human service workers and a comprehensive wage and benefit schedule comparable to compensation for State employees in the same field, and for increasing the indirect rate on NYS contracts to a nonprofit's established federally-approved indirect rate.

Nonprofit service organizations that have been on the front lines of the HIV, HCV, COVID, Mpox, overdose, and mental health responses face ongoing and new challenges as the result of years of severe under-investment in their work force and essential infrastructure needs – leaving them struggling to attract and retain staff while also dealing with inadequate or outdated systems for information technology, electronic data, financial management, human resources, and other key functions. Inadequate State contract reimbursement rates have resulted in poverty-level wages for human services workers, who are predominantly women and people of color, and limit the ability to invest in critical systems. Essential human services workers are among the lowest paid employees in New York's economy, resulting in high turnover and serious disadvantage in an increasingly competitive labor market. Building infrastructure capacity is not only essential to effective and efficient service delivery but will be required to for community-based nonprofit providers to prepare for, negotiate, and participate in coming value-based payment arrangements for service delivery.

We also urge the Governor and Legislature to invest in the infrastructure needs of nonprofits providing critical services for the most vulnerable New Yorkers—at a minimum by taking action in this year's budget to increase the indirect rate on NYS contracts from the current 10% to a nonprofit's established federally-approved indirect rate, and amending each existing NYS human services contract as soon as practicable to increase the total contract amount to reflect the contracting agency's approved Federal indirect rate “below the line” without impacting contract funding for direct services.

Justice for Nushawn Williams

In 1999, Nushawn Williams, a young, HIV+ Black man, pled guilty to reckless endangerment and statutory rape, arising from allegations that he had sex with several young women while knowing that he was HIV positive. On April 9, 2010, four days before the end of Mr. Williams' 12-year

prison sentence, then-New York State Attorney General Andrew Cuomo filed an application to have him indefinitely civilly committed at Central New York Psychiatric Center in Marcy, New York, as a "dangerous sex offender" based almost entirely on the fact that he was sexually active while HIV- positive. Mr. Williams' first review since being involuntarily and indefinitely civilly confined was January 14-15, 2021, eleven years after his original release date, and he was denied, despite a pledge by Housing Works to provide appropriate housing, health services, and behavioral health care upon his release. Again in 2023, despite testimony again by Housing Works outlining a plan to provide integrated services including housing, HIV care, and behavioral health services upon his release, Mr. Williams' civil confinement was continued. Nushawn Williams has now been confined for 27 years – over twice the length of his prison sentence. This case marks the first and only time in New York State, and possibly the country, that a person has been civilly confined based largely on HIV status.

The National HIV/AIDS Strategy acknowledges that HIV criminalization impedes our progress in ending the epidemic and calls for an end to all HIV criminalization laws across the country. New York State has no HIV criminalization laws, but the State is effectively criminalizing Nushawn Williams indefinitely for being HIV-positive. As part of the Free Nushawn Coalition, Housing Works calls upon New York State Attorney General Letitia James to use her authority to end the state's endless prosecution of Nushawn Williams and to support his release from confinement. We seek the support of the Legislature to ensure justice for Nushawn Williams.

Conclusion

In the harm reduction field, we talk of the continuum of prevention, harm reduction drug treatment, and recovery services. Currently all providers of services within the substance use disorder continuum are adopting harm reduction principles (i.e., "person-centered approaches) in engaging problematic drug use. Housing Works knows from the experience, struggle, and wisdom of its client members that treatment rooted in harm reduction offers the best possibility for compassionate care for substance use disorder and mental health issues. It is a movement for social justice that respects the rights of people with behavioral health issues and strives to overcome the barriers faced by communities most impacted by poverty, marginalization, stigma, and other social determinants. We urge our State's leadership to take the lessons learned from harm reduction policy, practice, and research to advance the transformative potential of self-directed individual change.

Sincerely,

Charles King, CEO
Housing Works, Inc.
57 Willoughby Street, 2nd Floor,
Brooklyn, NY 12201
347.473.7401 / king@housingworks.org