



HOMELESS SERVICES UNITED

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New York State Joint Legislative Budget Hearing on Human Services

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My name is Kristin Miller, and I am the Executive Director at Homeless Services United. Homeless Services United (HSU) is a coalition representing over 55 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. Thank you for the opportunity to testify today.

Over 150,000 New Yorkers are without a home, and 175,000 households are at risk of eviction.¹ Between January 2023 and January 2024, homelessness in New York State increased by 53.1% – more than four times the average rate in the rest of the country.² Not only has federal aid and eviction protections from the pandemic lapsed, but new risks exist as the federal administration makes cuts to the social safety net. HSU is urging the state to play a leading role in protecting New Yorkers from attacks from the federal government and making meaningful yet tactical investments to end homelessness.

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 \$69 million since 2012 and represents less than 5% of the NYC DHS shelter and street outreach costs.³ The City's share has more than tripled from \$244.6 million in 2013 to \$1,181 billion in 2024. Over time, the State has been decreasing the portion of support it gives to NYC, placing a larger 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 71%. Equitably sharing the cost of shelter will ensure sustainability of the

¹ Mann, Chris, and Hannah Tager. "HAVP (Housing Access Voucher Program)." *Win*, April 2025, <https://winnyc.org/wp-content/uploads/2025/04/HAVP-One-Pager.pdf.pdf>

² New York State Comptroller Thomas DiNapoli. New Yorkers in Need: Homelessness in New York State. January 2025, <https://www.osc.ny.gov/files/reports/pdf/new-yorkers-in-need-homelessness-nys.pdf>.

³ 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>

homeless services' safety net, as it is not just the responsibility of the locality but of all levels of government.

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.

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.⁴

Raise the cash assistance grants and the shelter allowance by passing S1127/A106.

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 2003.⁵

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

⁴ New York City Bar. (2022, January 11). *Increase Needs Allowance for Shelter Residents*. <https://www.nycbar.org/blogs/increase-needs-allowance-for-shelter-residents/>

⁵ 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/>

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.

Include a 2.7% Targeted Inflationary Increase (TII) across the human services sector for FY27.

The Governor's Executive Budget only includes a 1.7% TII for human services program. However, a more comprehensive TII is needed to alleviate the financial strain workers are experiencing throughout the sector and reflect an increase in costs. New York State is experiencing a social services workforce crisis. In a sample survey of HSU members, we found that salary was the highest named reason as to why they were losing qualified shelter staff. What this high-turnover means is that homeless service provider organizations are short staffed due to contract-imposed low wages that do not reflect today's cost of living. Ultimately, this leads to larger caseloads and staff-client ratios.

In addition, we must ensure that this TII applies to the entire human service sector – and not just certain sub-sectors. This can be accomplished by including S1580/A2590 in the enacted budget. 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.

Invest \$250 million for the Housing Access Voucher Program.

Last year, NYS made an incredible headway with an initial investment of \$50 million for the Housing Access Voucher Program (HAVP), a statewide Section 8-like voucher program that New Yorkers at risk of or experiencing homelessness can use. However, this initial investment can only cover 2,500 vouchers across the entire state. A full investment of \$250 million would provide 13,000 vouchers and could assist up to 30,000 New Yorkers without some of the restrictions that can make Section 8 inaccessible.

Per the NYS Comptroller, over half of all New Yorkers who are tenants are rent burdened (52.4%) and evictions in New York exceed the national average.⁶ This will be an invaluable tool to reduce the number of New Yorkers currently experiencing homelessness, thus creating capacity in our shelter system and preventing more New Yorkers from entering homelessness.

⁶ New York State Comptroller Thomas DiNapoli. New Yorkers in Need: The Housing Insecurity Crisis. February 2024. <https://www.osc.ny.gov/files/reports/pdf/new-york-housing-insecurity.pdf>.

