

**Testimony of Justin Wood, Director of Policy at
New York Lawyers for the Public Interest
to the Joint Legislative Budget Hearing on Public Protection
On February 12, 2026**

Thank you Chair Krueger, Chair Pretlow, and members of the committees for the opportunity to submit testimony to the Joint Legislative Budget Hearing on Public Protection.

Since New York Lawyers for the Public Interest (NYLPI) was established 50 years ago, we have advocated on behalf of marginalized and disadvantaged communities across New York City and State including individuals with disabilities, immigrant New Yorkers with serious health conditions, and residents of environmental justice communities bearing the greatest burdens of pollution and the climate crisis. Our client communities are routinely harmed by current systems of policing, immigration enforcement, incarceration and by lack of access to legal representation, and health care including mental health services.

We offer the following recommendations on how the FY2026-2027 budget can best address issues of public protection:

Full Funding for IOLA is a Critical Support for Civil and Pro Bono Legal Services

Every day, NYLPI's attorneys, social workers, advocates, and community organizers rely on this support to provide direct legal services, train community members, and engage pro bono attorneys and staff from nearly 80 law firms who provide thousands of hours of free legal counsel to community and nonprofit organizations.

We are alarmed that the Governor's Executive Budget did not include full appropriation authority for the Interest on Lawyer Account (IOLA) Fund. The Executive budget included \$77.5 million, far short of the \$102.5 million IOLA requested, and was approved by IOLA's Board of Trustees.

IOLA is a critical, non-taxpayer funding source for civil legal services for low-income New Yorkers. This funding is not taxpayer money; it is generated through interest on attorney escrow accounts for the sole purpose of supporting civil legal services statewide as prescribed in statute. The full amount of money needed is currently in IOLA's accounts.

IOLA is now entering the second year of a five-year, competitively bid contract process that was designed specifically to provide stability and predictability for civil legal services providers. This multi-year approach allows nonprofit organizations to plan responsibly, retain staff, and meet growing demand for services at a time of unprecedented need. This approach is already

supporting more effective, coordinated service delivery across the state.

Over the past year, providers have also worked closely with IOLA to plan and implement critical infrastructure investments through the Justice Infrastructure Project. These efforts are intended to create long-term efficiencies and improve service quality, including the recently announced statewide civil legal services training center and a planned online intake portal that will expand access and streamline assistance for New Yorkers seeking help. Civil legal services providers are essential partners in implementing the Governor's own budget priorities, including protecting immigrants' rights and helping New Yorkers navigate economic hardship

Without the additional \$25 million needed to fully fund IOLA's request, there will be significant cuts in funding starting April 1, 2026 when year two contracts begin. Those reductions will mean the loss of jobs, fewer services for vulnerable communities, and the potential unraveling of carefully planned investments that were intended to strengthen the civil legal services system for the long term—directly undermining the policy goals this budget seeks to advance.

We are hoping the Executive will realize their mistake and correct this in a 30 day amendment. If they do not, we ask the legislature to ensure the final budget includes \$102.5 million spending authority for IOLA.

Safeguarding New York's Nonprofits

We similarly urge the Legislature to address systemic challenges facing nonprofit service providers.

First, we support comprehensive reforms to State Finance Law § 179, led by Senator Mayer and Assemblymember Paulin, to address chronic contracting and payment delays. Nonprofits cannot deliver services effectively when they are forced to front costs for months without reimbursement.

Second, we urge passage of the NY Protect Act (S.7880A Krueger / A.8583-A Glick), which protects New York nonprofits from federal attacks by creating a state-protected not-for-profit status. This ensures that organizations can continue to operate, contract, and serve communities even if the IRS wrongfully revokes federal tax-exempt status

Protecting Immigrant New Yorkers

New York's immigrant communities are facing unprecedented threats, including federal attacks on legal services providers, cuts to funding, and increased enforcement actions. In this moment, New York must lead.

Through our Health Justice Program, NYLPI brings a racial equity and immigrant justice focus to health care advocacy in New York City and State. We address the human rights crisis in immigration detention; operate a medical-legal-community partnership to increase access to healthcare in immigration detention; connect undocumented and uninsured immigrants with

serious health conditions to state-funded Medicaid through our UndocuCare campaign; advocate for healthcare coverage for all New Yorkers; attack dangerous housing conditions; and seek alternatives to police intervention for people experiencing mental health crises.

We strongly support the inclusion in the budget of \$175 million for the CARE for Immigrant Families initiative, including passage and implementation of the Access to Representation Act, ensuring legal representation in removal proceedings; and the BUILD Act, which strengthens provider capacity and infrastructure. In the past year, immigration law has become more complex, and the number of New Yorkers threatened with deportation has skyrocketed. A substantial increase in funding for Immigration Legal Services is critical to protect the 1 in 5 New Yorkers who are immigrants from unlawful detention and deportation.

We urge immediate passage of the New York for All Act (S.2235 Gounardes / A.3506 Reyes), which preserves state and local resources for community safety and ensures New York funds are not used for federal immigration enforcement.

Transform Mental Health Crisis Response

Finally, NYLPI urges the legislature to transform the State's response to mental health crises by removing police entirely and substituting trained peers and health care workers. Daniel's Law (S3670/A4617) will do precisely that. We urge passage of this evidence-based bill, which is named after Daniel Prude, a 41-year-old African American man who was brutally killed by police in Rochester on March 23, 2020, while experiencing a mental health crisis. Daniel's Law would dramatically change public health policy in New York by creating mental health response units trained to de-escalate mental health and substance use emergencies and eliminate police as first responders.

Thank you for your consideration of these comments. Please contact me at jwood@nylpi.org with any questions. We look forward to working with legislators to enact a budget that advances justice for all New Yorkers.

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About New York Lawyers for the Public Interest

For 50 years, NYLPI has been a leading civil rights advocate for New Yorkers marginalized by race, poverty, disability, and immigration status. Through our community lawyering model, we bridge the gap between traditional civil legal services and civil rights, building strength and capacity for both individual solutions and long-term impact. Our work integrates the power of individual representation, impact litigation, and comprehensive organizing and policy campaigns. Guided by the priorities of our communities, we strive to achieve equality of opportunity and self-determination for people with disabilities, create equal access to health care, ensure immigrant opportunity, strengthen local nonprofits, and secure environmental justice for low-income communities of color.

For more information please visit: www.nylpi.org.