STATE OF NEW YORK

136

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sen. CLEARE -- read twice and ordered printed, and when printed to be committed to the Committee on Social Services

AN ACT in relation to enacting the supportive housing modernization act

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known and may be cited as the "supportive housing modernization act".

§ 2. Legislative intent. Supportive housing is an exponentially important social service that has evolved over the past four decades. At the heart of any supportive housing program, the core is the same: helping people at risk of and experiencing homelessness and other related challenges through the provision of social services within housing, connecting residents with essential community-based services such as mental health counseling, substance use treatment, and job training.

In 1987, a program called New York State Supportive Housing Program (NYSSHP) was created. It currently exists under the New York State Office of Temporary and Disability Assistance (OTDA) and it is the quintessential example of early supportive housing interventions that demonstrated success as a cost-effective solution to homelessness and a model for preserving existing affordable housing stock. As a result, New York state developed a succession of new and better-funded supportive housing programs to more comprehensively meet tenants' needs, paying for both services and rental assistance/operating costs. However, NYSSHP has continued all these years without any significant change or modification to the underlying funding formula -- $2,964 per year for individuals, $3,900 for families. Currently, NYSSHP partially funds services in more than 20,000 supportive units and is the sole source of service funding in approximately 9,000 of those units but the payment structure is creating deficits from the service providers.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD00207-01-5

On the other hand, the Empire State Supportive Housing Initiative (ESSHI) was created in 2016. ESSHI is an interagency program solicitation administered by the New York State Office of Mental Health (OMH) that provides supportive service and operating funds to sustain newly developed permanent supportive housing units. ESSHI funds both services and operating costs at $25,000 per unit and expanded to ten explicit population categories, including frail elderly, survivors of domestic violence and veterans.

Conclusively, both NYSSHP and ESSHI serve the same populations through the provision of the same supportive housing model. However, only ESSHI allows the providers to recoup the necessary cost of providing both excellent housing and a full complement of wrap-around social services. In the last twenty years, one-third of NYSSHP providers have either had to merge with another agency, close their doors, or stop providing supportive housing services altogether. Without the option to modernize contracts at ESSHI rates, supportive housing units will be lost.

Therefore, this legislation does the only rational thing: allowing all NYSSHP providers the option to modernize their contract rates up to ESSHI levels.

§ 3. Notwithstanding any provision of law, rule or regulation to the contrary, for five years following the effective date of this act any entity participating in the New York state supportive housing program (NYSSHP) in good standing with such program may elect to participate in a request for proposal to increase their contract rates up to ESSHI levels.

§ 4. The office of temporary and disability assistance shall promulgate all rules and regulations necessary for the implementation of this act.

§ 5. This act shall take effect on the first of January next succeeding the date on which it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.