



NC COALITION to end
HOMELESSNESS

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RALEIGH, N.C. — A broad coalition of homeless services providers, elected leaders, municipalities, ministers of faith, advocates, business owners, and other stakeholders from across North Carolina express their support and gratitude for Governor Josh Stein's veto of HB437, citing concerns that the legislation would impose significant new responsibilities on local governments and community organizations without providing the resources necessary to effectively address homelessness.

"Wilmington opposes this bill because it shifts responsibility to local governments without providing the tools or resources needed to address homelessness effectively," says City of Wilmington Mayor Bill Saffo. "Local leaders are in the best position to understand community needs, shelter capacity, available services, and public safety concerns. Lasting solutions require investments in housing, behavioral health care, and substance use treatment; not one-size-fits-all mandates."

"HB437 asks local governments and service providers to take on major new responsibilities without providing the funding or infrastructure necessary to carry them out," says Stephanie Watkins-Cruz, Director of Housing Policy for the North Carolina Housing Coalition.

"Communities need practical solutions that address homelessness through housing, treatment, and support services, not mandates that shift costs and liabilities onto local taxpayers and organizations."

"Criminalization does not create housing, treatment options, or shelter beds," says Liz Carbone, who leads advocacy efforts for the North Carolina Coalition to End Homelessness. "It creates additional barriers to employment, safety, and housing while placing further strain on already understaffed law enforcement agencies, emergency responders, service providers, and taxpayers. We commend Governor Stein for recognizing that this legislation harms North Carolinians while delivering no real or substantive funding or policy solutions that have proven successful anywhere in the United States."

"We stand ready to work collaboratively and in good faith with state leaders on solutions that improve public safety while helping North Carolinians move from homelessness back to stable housing," the coalition said in a joint statement.

Read the full letter below:

We, the undersigned organizations, made up of service providers, elected leaders, ministers of faith, and advocates from across North Carolina, write to express our deep concerns regarding House Bill 437 and the significant challenges it would create for local governments, homeless service providers, first responders, and, most urgently, North Carolinians experiencing homelessness.

We share the goal of reducing unsheltered homelessness and improving public safety in our communities. However, we believe HB 437 places substantial new responsibilities on local governments and community organizations without providing the resources necessary to carry out true solutions to homelessness successfully.

As written, the bill would require local communities to respond to statewide camping prohibitions while encouraging the establishment of designated areas for homeless individuals and families beginning on June 30, 2027. These responsibilities would require significant investments, including site acquisition, sanitation, public safety, staffing, administration, and ongoing operations. Yet the legislation provides no dedicated funding to support these new obligations. This concern is particularly acute in rural North Carolina, where many communities lack the infrastructure and resources necessary to comply with the bill's requirements. Twenty-six of the 79 counties served by the North Carolina Balance of State Continuum of Care do not currently have a qualifying emergency shelter. For many local governments, the requirements contemplated in HB 437 would necessitate entirely new facilities, staffing structures, and service systems.

We are also concerned by assertions that recently announced federal Continuum of Care funding could be used to support implementation of the legislation. Continuum of Care funding is not an immediate funding source available to local governments for this purpose. These federal funds are awarded through a competitive process and are designed to support a range of existing homelessness response activities, including Permanent Supportive Housing, Rapid Rehousing, Transitional Housing, Street Outreach, and Coordinated Entry. Applications for the current funding competition are due within the next several weeks. Awards will not be announced until late 2026, and funding is not expected to reach communities until late 2027 at the earliest. Funding is not guaranteed, and projects must meet extensive federal requirements. As a result, these funds cannot reasonably be relied upon to support the provisions within HB 437 if it becomes effective on October 1, 2026 with implementation beginning no later than June 30, 2027.

We are further concerned about the bill's potential impact on organizations working to serve vulnerable North Carolinians. Service providers, faith communities, and local agencies should be encouraged to engage individuals experiencing homelessness, not exposed to additional legal risks for circumstances beyond their control. Likewise, criminal penalties associated with sleeping or camping when no viable alternatives exist risk increasing interactions with the criminal legal system without addressing the underlying causes of homelessness.

Communities across North Carolina need practical, evidence-based solutions that expand access to housing, behavioral health care, shelter, employment, and supportive services.

Policies that create unfunded mandates for local governments and service providers may ultimately divert resources away from these proven approaches. For these reasons, we respectfully urge you to carefully consider the fiscal, operational, and human impacts of HB 437 and engage with local governments, service providers, faith leaders, law enforcement agencies, and community stakeholders before advancing this legislation.

Sincerely,

North Carolina Housing Coalition

North Carolina Coalition to End Homelessness

ACLU of North Carolina

Cape Fear Housing Coalition

CARE Inc

Carolina Forward

City of Wilmington

Community Advancement and Redevelopment Enterprise Inc

Community Development Network of Maryland

Community Health Network of WNC

Community Housing Wake

Diakonos, Inc.

Disability Partners

Disability Rights NC

ECHO Ministry Inc. - The Ark

Empowering People in Communities

Family Promise of Davie County

Financial Pathways of the Piedmont

Forward Justice

Habitat for Humanity of North Carolina

HEAR US Inc.

Interfaith Housing Initiative

Just Economics

Monroe Union County CDC

Mountain Housing Opportunities, Inc.

MountainTrue

National Homelessness Law Center

National Low Income Housing Coalition

NC Budget & Tax Center

NC Coalition Against Domestic Violence

NC Council of Churches

NC Justice Center

Oak City Cares

Olive Hill Community Economic Development Corporation, Inc

Pisgah Legal Services

Roots with Purpose

Safe Harbor Helpline

Safe Shelter

Saint Joseph's Episcopal Church

Smoky Mountain Harm Reduction

The Jimmy Carroll Foundation

Transylvania County Democratic Party

Vigilant Hope Inc.

Wilson Community Improvement Association Inc

Abigail Nelson

Adena Cytron-Walker

Alexandra Aaron

Alice Snell

Allie Card

Amanda Tanner

Amanda Thomas

Amy Davis

Amy Miller

Amy Nowak

Andrea Carey

Andres Ventura

Andrew H Foster

Andrew Veazey

Ash Compton

Ashley Burts

Ashlie Dispenza

Athena Dygert

Audrey Dooley

Aven Schwartz

Ayanna Shaw

Barbara Dongu Smith

Beau Baley

Beryl Arcos

Beth McKee-Huger

Bethany Bezants

Bintlee Ricardi

Bob Lackey

Brandon Morgan

Brenda Ruffin

Brendon Dorrance

Brianna Grubb

Brittany Baldwin

Bryan Head

Caitlin Lafferty

Carla Hill

Carol Brooke

Carol Sabbagh

Caroline Weisenhorn

Carrie Pettler

Carson Dean

Catherine Lukacs-Ormond

Chandler Sloan Edemann

Charita K McCollers

Chris Carlson

Christian Cortez Sanchez

Christian McFadyen

Christopher McCall

Cierra Whitlock

Claire de Lespinois

Clark Curtis

Clermont Ripley

Consuela J. Knight

Craig Wood

Craig Zimring

Crystal Tortalita

Dan Farmer

Dani Moore

Daniel Rose

Daniela Archibold Garcia

Darryl McCaster

David Braga

David Remington

David Vuckovich

Deborah Maya McDaniel

Derek Rennick

Derrick Losee

Desmond Duncker

Detra Purcell

Dianne Fisher

Dillon Cashman

Dimah Abdulkarim

Dominica Applegate

Dorothy Goodwin

Dustin Ingalls

Earl Watts

Elena Peterman

Elizabeth Bartolotta

Elizabeth Erin Danley

Elizabeth Garfunkel

Emily Brown

Emily Roberts

Eric Weathers

Erin Yates

Evan Lewis

Forest Britt

Gabrielle Ponds

Gayle Anderson

Gina Boccetti

Graham Vickers

Graycen Murray

Haley Smith

Haley Waxman

Hannah McKellar

Heysoll Rodriguez Soto

Hilary Paradise

Hope Garza

Isabell Freeman-Elliott

Isabelle Polgar

Isabelle Shepherd

Jack Watson

James D. Sackett

James Snell

Jane Williams

Janine Lafferty

Jason Franklin

Jeanna White

Jeanne B. Ford

Jennifer Losee

Jennifer McLucas-Ingold

Jennifer Taksa

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Kathryn Johnson

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Kerri Taylor

Khadeejah Jones

Kiaundra Jones

Kim Jos

Kit Molina-Nauert

kristen girardi

Kristin Dunn

L Hammer

Laine Hindley

Laura Clark

Laura Lama

Laura Webb

Lauren Hewer

Lauren Frye

Laurene Sackett

Leah Ferguson, DrPH

Leslie Smiley

Libby Johnson

Lindsey Schultz

Liz Clasen-Kelly

London Tessener

Lori A. Jones

Louise Marlowe

Lukas Ray

Luke Gay

Magaretha Hartley Herman

Mara Lowry

Maria D. McIntyre

Mariah Bayer

Marla Y. Newman

Marsha Basloe

Mary Lisa Presnell

Mary McKeller

Mary Smart

Mary Thompson

Mary Wilson

Matthew Shields

McKenzie LeFlore

Megan Hayes

Melissa Fundukian

Micah McLain

Michelle Braga

Michelle Robles

Miles Oldenburg

Mira Sanderson

Misty McGill

Monica Lattany

Monica Sanders

Nancy Flippin

Natalie Britt

Natalie Rivera

Natasha Smith

Nicole William

Nikhil Basu

Nikki McLaurin

Nora Sjue

Onia Royster

Pamela Atwood

Pat Deskin

Patti Sears

Paul Rowland

Paula Traffas

Phil Welch

Phillip Stover

Phran Gacher

Phyllis Nunn

Rachel Lisa

Rachelle Dugan

Rebecca Kaplan

Rebecca Philpott

Rev. Ruth Gibson

Rhonda Strickland

Richard Benson

Robert Ferber

Robert J. Thompson

Robin Hammond

Rodney Alexander

Ronda Mays

Samantha Merchak

Sana Rockwell

Sara Harrington

Sarah Dickerson

Savanna Click

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Sean Robinson

Shannon Averitte

Shantel Robinson

Sharon Anderson
Sherry Anderson
Sheryl Byrd
Shirley McConahay
Sophia Gear
Stephanie Chandler
Stephanie Ross
Steve Carbone
Susan Gregory
Susan Monroe
Sylvia Hill
Tara Ebrahimi
Tavialea Ricardi
Teresa Stephens
Terri Flam-Goldberg
Tess Wise
Tessa E. Young
Todd D. Dreyer
Trace Morrow
Tracy Scott
Valentina Achille
Vicki Ryder
Virginia M Goldrick
William Holley

Youngmee Hahn

About the North Carolina Housing Coalition: In 1988, a group of advocates seeking to bring together those interested in best practices and improving public policy-making formed the North Carolina Low Income Housing Coalition. These advocates first convened in response to diminishing federal funds and the increasing housing needs of the state's low- and moderate-income residents to lobby for the creation of the North Carolina Housing Trust Fund. Initially capitalized with \$21 million from the NC Housing Trust and Oil Overcharge Act, the fund is still in existence today and remains a cornerstone to North Carolina's affordable housing financing options and the Coalition's advocacy priorities. Renamed the North Carolina Housing Coalition in 2004, we are proud of nearly 30 years of advocacy achievements at the federal, state, and local levels. To learn more, visit nchousing.org.

About the North Carolina Coalition to End Homelessness: Founded in the early 2000s, the North Carolina Coalition to End Homelessness unites advocates, service providers, and communities to ensure every North Carolinian has access to safe, affordable housing and the support they need to thrive. The Coalition drives policy reform, strengthens service provider capacity, and leverages data-driven research to shape effective solutions at the local, state, and federal levels. To learn more, visit ncceh.org.

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