



HUD FY25 Continuum of Care Notice of Funding Opportunity (NOFO)

HUD Policies Regarding Illicit Drug Use

Frequently Asked Questions

2/20/26

Table of Contents

A. Introduction ..... 1

B. FY25 NOFO Requirements (12/19/25 version)..... 1

C. Harm Reduction Activities Likely Allowed Under the FY25 CoC NOFO ..... 2

D. Harm Reduction Activities Prohibited Under the FY25 CoC NOFO and/or CT BOS Policy ..... 2

E. Timeline for roll-out of these requirements ..... 3

A. Introduction

Thank you for submitting questions. Please continue to submit your questions to [ctboscoc@gmail.com](mailto:ctboscoc@gmail.com). As new information becomes available, the team will update this FAQ and announce those updates periodically. In each update we will mark items added or changed from the previous FAQ release as “UPDATED”.

The information in this document is based on the CT BOS team’s interpretation of the FY25 NOFO. For legal guidance your agency should consult with an attorney. We appreciate your patience and your partnership as we work together through the challenges posed by this year’s CoC program NOFO!

B. FY25 NOFO Requirements (12/19/25 version)

1. What does the FY2025 NOFO say that relates to illicit drugs and use of harm reduction strategies in CoC-funded projects and by agencies that receive CoC funds?

12/19/26 NOFO excerpts:

- “Awards made under this NOFO will not be used to fund, promote, encourage, subsidize or facilitate the use of illicit drugs.”
- “Awards made under this NOFO will not be used to fund any project, service provider, or organization that operates illegal drug injection sites or “safe consumption sites” in violation of 21 U.S.C. § 856..”
- Project applicant must certify: “The project applicant will not operate illegal drug injection sites or “safe consumption sites” in violation of 21 u.s.c. 856.”



- “This NOFO...prohibits recipients from distributing drug paraphernalia or permitting the use and distribution of fatal, illicit drugs on their properties.”
- HUD may use a risk review to make funding decisions and apply award conditions. Included in risk review factors is applicant’s: “History of subsidizing or facilitating activities that impede law enforcement related to vagrancy, drug use, or other illicit activities that conflict with the purposes of this NOFO.”
- 10 Policy Initiative Preference Points are available to CoCs that “indicate that all housing projects submitted by the CoC will not operate drug injection sites or “safe consumption sites,” knowingly distribute drug paraphernalia on or off of property under their control, permit the use or distribution of illicit drugs on property under their control, or conduct any of these activities under the pretext of “harm reduction.”

## C. Harm Reduction Activities Likely Allowed Under the FY25 CoC NOFO

### 2. What harm reduction strategies are allowed?

Harm reduction strategies can be used to reduce a broad range of risks (e.g., from living unsheltered, automobiles, guns, disease, etc.). HUD’s focus in the FY25 CoC NOFO is on illicit drugs, and they have not released detailed guidance about what is and is not allowable. Based on the CT BOS team’s interpretation of the FY25 NOFO, below are some examples of harm reduction strategies that are specific to illicit drugs that we think providers can continue to offer. Agencies are advised to fund these activities through non-CoC sources.

- Naloxone (Narcan)
- Medication Assisted Treatment (MAT)
- safer use supplies that are not drug paraphernalia (e.g., fentanyl test strips, sharps containers)
- safer use education
- overdose prevention education
- training (e.g., CPR, recognizing overdose)
- “don’t use alone” supports

## D. Harm Reduction Activities Prohibited Under the FY25 CoC NOFO and/or CT BOS Policy

### 3. What harm reduction activities are prohibited under the FY25 CoC NOFO/CT BOS Policy?



To help ensure maximum CoC funding to support renewal and new projects, the CT BOS Steering Committee adopted the following policy:

- All **CoC housing projects** will not operate drug injection sites or “safe consumption sites,” knowingly distribute drug paraphernalia on or off property under their control, permit the use or distribution of illicit drugs on property under their control or conduct any of these activities under the pretext of “harm reduction.”

As such, CoC housing projects may not knowingly distribute drug paraphernalia, including, for example (syringes, clean cooking, and safer smoking supplies).

In addition, the NOFO states: “Awards made under this NOFO will not be used to fund any project, service provider, or organization that operates illegal drug injection sites or “safe consumption sites” in violation of 21 U.S.C. § 856..” and “Project applicant must certify: “The project applicant will not operate illegal drug injection sites or “safe consumption sites” in violation of 21 u.s.c. 856.”

Project applicants may not operate safe consumption sites regardless of the funding source.

CoC subrecipients, and contractors may not operate safe consumption sites with CoC-funds. While the NOFO has less direct guidance for this group, the NOFO does state under Post-Award Requirements that: “Awards made under this NOFO will not be used to fund any project, service provider, or organization that operates illegal drug injection sites or “safe consumption sites” in violation of 21 U.S.C. § 856.” There are currently no safe consumption sites in CT. Consult with an attorney for guidance if you are contemplating a safe consumption site funded with non-CoC funding.

## E. Timeline for roll-out of these requirements

### 4. When do these requirements begin for CoC recipients, subrecipients and contractors?

These requirements are established through the FY2025 NOFO issued on 12/19/25. If HUD is allowed by the courts to proceed with a FY2025 CoC Competition, they will need to issue an updated NOFO. That NOFO will likely contain similar requirements. Timing for when compliance is required varies depending on the situation:

- Applicants intending to apply for CoC funds through the FY2025 Competition will need to be able to certify at the point their project applications are due that “The project applicant will not operate illegal drug injection sites or “safe consumption sites” in violation of 21 u.s.c. 856.” This could be as soon as March 2026.



- New and renewal projects funded through any FY2025 Competition will likely be responsible for adhering to these requirements as of their operating start date in Calendar Year 2026.
- The FY24/25 NOFO (2/9/26) does not include these requirements. CoC projects renewed non-competitively should consult their contracts to determine which of these requirements might apply.
- Some of these requirements are being contested in the courts. For example, the National Alliance to End Homelessness has filed a lawsuit about the FY2025 NOFO. That lawsuit, among other things, alleges that the required applicant certification detailed on page 1 is unlawful, particularly as it extends beyond CoC funded activities. Implementation of these requirements may be impacted by ongoing litigation.