AN ACT to amend the public housing law, in relation to establishing a COVID-19 emergency rental assistance program

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

Section 1. The public housing law is amended by adding a new article 14 to read as follows:

ARTICLE XIV

COVID-19 EMERGENCY RENTAL ASSISTANCE PROGRAM

Section 600. Legislative findings.

§ 600. Legislative findings. The legislature finds that it is in the public interest to ensure that New Yorkers are not rendered homeless or severely financially burdened because of an inability to pay the cost of housing and other necessities due to loss of income related to the widespread outbreak of the coronavirus commonly known as COVID-19. The legislature further finds that the outbreak of COVID-19 has exacerbated

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

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the health risks associated with being homeless and that there is a need
for increased funding to provide permanent housing for homeless individ-
uals and families as an essential part of the state's efforts to miti-
gate the threat of COVID-19 to public health. The legislature further
finds that providing funding for individuals, families and households to
pay rent that they would otherwise have difficulty paying will promote
the stability and proper maintenance of the housing stock and assist
communities in recovering from the adverse social and economic effects
of the COVID-19 outbreak.
§ 601. Definitions. For the purposes of this article:
1. "Adjusted income" shall mean income minus any deductions allowable
at the discretion of the commissioner pursuant to this section.
   (a) The calculation of income performed at the time of application for
   such assistance shall consider only income that the individual, family
   or household is currently receiving at such time and any income recently
   terminated shall not be included; (b) the calculation of income
   performed with respect to individuals, families or households receiving
   ongoing assistance three months after initial receipt of assistance
   shall consider only the income that the household is receiving at the
time of such review; and (c) the calculation of income performed with
   respect to individuals, families or households receiving assistance for
   arrearages shall consider only the income that the individual, family or
   household was receiving at the time such arrearages were incurred.
2. "At risk of homelessness" shall mean, with respect to an individ-
   ual, family, or household, that the individual, family, or household (a)
   has an income below one hundred twenty percent of the median income for
   the area as determined by the United States secretary of housing and
   urban development; and
   (b) has an inability to attain or maintain housing stability or has
   insufficient resources to pay for rent or utilities due to financial
   hardships.
3. "Covered period" means March seventh, two thousand twenty until the
date on which none of the provisions that closed or otherwise restricted
public or private businesses or places of public accommodation, or
required postponement or cancellation of all non-essential gatherings of
individuals of any size for any reason in executive order numbers 202.3,
two thousand twenty, as extended by executive order numbers 202.28 and
202.31 and as further extended by any future executive order, issued in
response to the COVID-19 pandemic continue to apply in the county of the
individual, family, or household's residence.
4. "Fair market rent" shall mean the fair market rent for each rental
area as promulgated annually by the United States department of housing
and urban development's office of policy development and research pursu-
ant to 42 USC 1437f.
5. (a) "Family" shall mean a group of persons living in the same
household who:
   (i) are related by birth, marriage, or adoption. This group includes,
but is not limited to a family with or without children (a child who is
temporarily away from the home because of placement in foster care is
considered a member of the family), an elderly family, a near-elderly
family, a disabled family, a displaced family, or the remaining member
of a tenant family; or
   (ii) are two or more individuals who are not related by blood,
marriage, adoption, or other operation of law, but who can demonstrate
that they have lived together previously and certify that each individ-
ual's income and other resources will be available to meet the needs of
the family.

(b) Each family shall identify the individuals to be included in the
family at the time of application, and shall update this information if
the family's composition changes.

(c) The commissioner shall have the discretion to determine if any
other group of persons qualifies as a family.

6. "Homeless" shall mean lacking a fixed, regular, and adequate night-
time residence or having a primary nighttime residence that is a public
or private place not designed for or ordinarily used as a regular sleep-
ing accommodation for human beings.

7. "Income" shall mean income from all sources of each member of the
family or household, including all wages, tips, over-time, salary,
recurring gifts, returns on investments, welfare assistance, social
security payments, child support payments, unemployment benefits, any
benefit, payment or cash grant whose purpose is to assist with rental
payments, any payments whose purpose is to replace lost income, and any
other government benefit or cash grant. The term "income" shall not
include: employment income from children under eighteen years of age,
employment income from children eighteen years of age or older who are
full-time students, foster care payments, sporadic gifts, groceries
provided by persons not living in the household, supplemental nutrition
assistance program benefits, earned income disregard, or the earned
income tax credit.

8. "Manufactured home tenant" shall have the same meaning as defined
by section two hundred thirty-three of the real property law.

9. "Occupant" shall have the same meaning as defined in section two
hundred thirty-five-f of the real property law.

10. "Public housing agency" shall mean any county, municipality, or
other governmental entity or public body that is authorized to adminis-
ter any public housing program, or an agency or instrumentality of such
an entity, and any other public or private non-profit entity that admin-
isters any other public housing program or assistance.

11. "Rent" shall mean rent as defined by section seven hundred two of
the real property actions and proceedings law and subject to proceedings
under article seven of the real property actions and proceedings law,
including statutory rents and maintenance fees paid pursuant to a
proprietary lease on a co-operative dwelling unit.

§ 602. Authority to implement emergency rental assistance. 1. The
commissioner, as soon as practicable and subject to the appropriation of
funds for this purpose, shall implement a program of rental assistance
in the form of emergency vouchers for those eligible pursuant to section
six hundred three of this article. The commissioner may delegate the
administration of portions of this program to any state agency, public
housing agency, city, county, town, or non-profit organization in
accordance with the provisions of this article. The commissioner shall
delegate the administration of this program for the city of New York to
a public housing agency or agencies operating solely in the city of New
York. Any state agency, public housing agency, city, county, town, or
non-profit organization delegated to administer this program shall
receive an administrative fee to cover the costs of administration. The
commissioner may provide technical or administrative support to assist
any state agency, public housing agency, city, county, town, or non-pro-
fit organization to provide emergency rental assistance related to the
outbreak of COVID-19 with funding allocated by the federal government to
such public housing agency, city, county, or town, or non-profit organization.

2. Pursuant to 8 U.S.C. 1621(d), any individual, family, or household who would be eligible but for 8 U.S.C. 1621(a) for state or local benefits for emergency rental assistance shall be eligible for such benefits during the covered period, and for a period of up to two years if such individual, family, or household becomes eligible for such benefits due to homelessness.

§ 603. Eligibility. The commissioner shall promulgate standards for determining eligibility for this program.

1. An individual, family or household shall be eligible for this program if:
   (a) the individual, family, or household is a tenant or occupant in their primary residence in the state of New York, including both tenants and occupant of dwelling units and manufactured home tenants and proprietary leaseholders of co-operative dwelling units, their monthly rent obligation is greater than thirty percent of their current monthly adjusted income, their current monthly adjusted income is less than one hundred twenty percent of the area median income as adjusted for family size, and during the covered period:
      (i) the individual, family, or household suffered a financial hardship due to loss of income, as determined in a manner prescribed by the commissioner in consultation with the department of taxation and finance; or
      (ii) an individual or member of the family or household became unemployed, and qualified for unemployment;
   (b) the individual, family, or household is at risk of homelessness during the covered period or within ninety days after the covered period; or
   (c) the individual, family, or household is homeless during the covered period or within ninety days after the covered period.

2. In addition to the eligibility criteria in subdivision one of this section, the commissioner may promulgate limits on assets as part of any determination of eligibility for this program.

3. An individual or family in receipt of rental assistance under this program shall no longer be financially eligible for assistance when:
   (a) the individual's, family's or household's monthly income has been restored to an amount equal to or greater than the individual's, family's or household's income prior to the loss referenced in subparagraph (i) of paragraph (a) of subdivision one of this section;
   (b) the individual's, family's, or household's monthly rent obligation is no longer greater than thirty percent of their monthly adjusted income;
   (c) the individual, family, or household has received rental assistance for the greater of six months or the duration of the covered period. However, those individuals, families or households who receive assistance pursuant to paragraph (c) of subdivision one of this section shall be eligible until they have received two years of rental assistance.

4. Any individual, family or household in receipt of rental assistance under this program shall be obligated to report all changes of ten percent or more of their monthly income while participating in the program in order to maintain eligibility.

5. The commissioner shall establish preferences prioritizing individuals, families or households with the greatest economic and social need.
in processing applications for this program. Such preferences shall account for at a minimum:

(a) the historical income level of the individual, family or household as it relates to the area median income;
(b) the current adjusted income of the individual, family, or household as it relates to the area median income;
(c) the rent burden of the individual, family or household;
(d) the percentage of income lost by the individual, family or household;
(e) the individual or a member of the family or household's status as a victim of domestic violence; and
(f) whether the individual, family or household was homeless or at risk of homelessness during the covered period or within ninety days after the covered period.

6. The commissioner shall promulgate standards by which any entity designated to administer this program pursuant to subdivision one of section six hundred two of this article shall issue a preliminary determination of eligibility upon initial receipt of the application, if it is practicable to do so without unduly impeding implementation of the program. Any such preliminary determination shall not be binding on the commissioner or any entity designated to administer this program and shall not excuse any existing statutory or contractual obligations of the landlord or the applicant individual, family, or household.

7. Eviction proceedings for rental arrears that would be eligible for coverage under this program cannot be commenced against an individual, family or household who has applied for this program unless or until a determination of ineligibility is made. If eviction proceedings are commenced against an individual, family or household who subsequently applies for benefits under this program, all proceedings for missed rent payments during the covered period shall be stayed until a determination of ineligibility has been made.

8. Any ambiguity in eligibility criteria promulgated by the commissioner shall be resolved in favor of the applicant when determining eligibility.

9. Any information collected about an individual, family or household in the process of determining eligibility shall solely be used for the purposes of determining eligibility and shall not be shared with any other governmental agency.

10. An individual, family or household shall not be eligible for this program if they live in housing owned or managed by a public housing authority or receive rental assistance from a program in which their rental obligation is adjusted to be no greater than thirty percent of their income when their income decreases.

11. An individual full-time college student or family or household consisting exclusively of full-time college students is ineligible for this program unless each individual in the family or household satisfies the following conditions:

(a) the individual shall have established a household separate from his or her parents or legal guardians for at least one year prior to application for admission or shall meet the United States department of education's definition of independent student; and

(b) the individual shall not be claimed as a dependent by his or her parents or legal guardians pursuant to internal revenue service (IRS) regulations.

12. Applicants shall not be expected or required to repay any assistance granted through this program unless otherwise required by law.
Assistance shall not be considered income for purposes of public benefits or other public assistance. There shall be no requirement on applicants to seek assistance from other sources, including charitable contributions, for eligibility.

§ 604. Payment of emergency vouchers. 1. The emergency voucher shall be paid directly to the owner of the dwelling unit or manufactured home occupied by the voucher recipient for rent due from the voucher recipient and any rental arrears owed that were not paid for which the recipient would otherwise have been eligible pursuant to section six hundred three of this article. Any arrears payment shall be equal to the amount for which the recipient would have been eligible as determined by section six hundred six of this article.

2. Acceptance of vouchers as payment for rent due or rental arrears shall constitute agreement by the recipient:
   (a) to waive any late fees due on any rental arrears;
   (b) to keep constant the monthly rent due for the dwelling unit such that it shall remain the amount that was due at the time of application to the program for any and all months for which the voucher is accepted as payment; and
   (c) at the option of the tenant, to extend any lease or rental agreement for the use and occupancy of the applicable dwelling unit that expired or is due to expire during the covered period or sixty days following the expiration of the covered period to a date at least sixty days from the expiration of the covered period under the terms of the lease or rental agreement existing prior to the expiration of the lease or rental agreement. Where the dwelling unit that is the subject of the lease or rental agreement contains four or fewer units, the landlord may decline to extend the lease or tenancy if the landlord intends to immediately occupy the unit for the landlord's personal use or the use of an immediate family member as a primary residence.

§ 605. Rental obligation. 1. The monthly rental obligation of each recipient shall be thirty percent of the monthly adjusted income of the individual, family, or household.

2. If an individual, family or household shares a dwelling or manufactured home with one or more individuals who are not part of their family or household, the monthly rental obligation of the individual, family or household shall be calculated using the portion of the individual, family's or household's rent for which they are responsible rather than the entire rent for the shared dwelling unit or manufactured home.

§ 606. Assistance payment. 1. The amount of the monthly rental assistance payment with respect to any dwelling unit or manufactured home shall be the difference between the monthly contractual or statutory rent for the unit or home and and thirty percent of the individual, family or household's adjusted income.

2. Notwithstanding subdivision one of this section, the maximum monthly assistance payment for the individual, family or household shall be the difference between the rental obligation established in section six hundred five of this article, up to two hundred fifty percent of the fair market rent for the rental area or in accordance to any restrictions that may apply to funding provided for this purpose.

3. In addition to any rental assistance payments, the commissioner shall also authorize the full payment of utilities for any recipient individual, family or household for the time period during which the individual, family or household qualifies for rental assistance pursuant to section six hundred three of this article. Any such payments shall be paid directly to the utility provider. For the purposes of this
section, utility payments shall encompass all payments the individual, family or household is obligated to pay for gas, electricity, heat, water, sewer, and solid waste disposal services.

§ 607. Verification of income and assets. The commissioner shall establish procedures that are appropriate and necessary to assure that information regarding income, and assets to the extent necessary to determine eligibility, provided by individuals, families and households, applying for or receiving assistance under this article is complete and accurate. Verification may include without limitation: paycheck stubs, earning statements, tax records, W-2 forms, written statements from a former or current employer, telephone or in-person contact with a former or current employer, statements or affidavits signed by the applicant, or other methods approved by the commissioner.

§ 608. Housing assistance payment contracts for units newly rented for homeless individuals and families. 1. A housing assistance payment contract shall be entered into between the relevant agency administering this program and the owner of a dwelling unit when the voucher recipient qualified for the program by being homeless. The housing assistance payment contract entered into pursuant to this section shall establish the maximum monthly rent (including utilities and all maintenance and management charges) the owner is entitled to receive for each dwelling unit with respect to which such assistance payments are to be made. Each housing assistance payment contract entered into by the agency administering this program and the owner of a dwelling unit shall provide:

(a) that the lease between the tenant and the owner shall be for a term of not less than one year;

(b) that the dwelling unit owner shall offer leases to tenants assisted under this article that:

(i) are in a standard form used in the locality by the dwelling unit owner; and

(ii) contain terms and conditions that:

(A) are consistent with federal, state, and local law; and

(B) apply generally to tenants in the property who are not assisted under this article;

(iii) shall provide that during the term of the lease, the owner shall not terminate the tenancy except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable state or local law, or for other good cause; and

(iv) shall provide that any termination of tenancy under this section shall be preceded by the provision of written notice by the owner to the tenant specifying the grounds for that action, and any relief shall be consistent with applicable state and local law; and

(c) that any unit under an assistance contract originated under this article shall only be occupied by the individual or family designated in said contract and shall be the designated individual or family’s primary residence. Contracts shall not be transferable between units and shall not be transferable between recipients. An individual or family may transfer their voucher to a different unit under a new contract pursuant to this article.

2. (a) For the homeless, the rent for dwelling units for which a housing assistance payment contract is established under this subdivision shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted local market.

(b) An agency administering this program shall, at the request of an individual or family receiving tenant-based assistance under this subdivision, assist that individual or family in negotiating a reasonable
rent with a dwelling unit owner. "Reasonable rent" shall mean rent not
more than the rent charged on comparable units in the private unassisted
market and rent charged for comparable unassisted units in the premises.
Such agency shall review the rent for a unit under consideration by the
individual or family (and all rent increases for units under lease by
such individual or family) to determine whether the rent (or rent
increase) requested by the owner is reasonable. If an agency administer-
ing this program determines that the rent (or rent increase) for a
dwelling unit is not reasonable, the agency shall not make housing
assistance payments to the owner under this subdivision with respect to
that unit.
(c) Each agency administering this program shall make timely payment
of any amounts due to a dwelling unit owner under this subdivision. The
housing assistance payment contract between the owner and the agency
administering this program may provide for penalties for the late
payment of amounts due under the contract, which shall be imposed on the
agency in accordance with generally accepted practices in the local
housing market.
3. If an assisted individual or family vacates a dwelling unit for
which rental assistance is provided under a housing assistance payment
contract before the expiration of the term of the lease for the unit,
rental assistance pursuant to such contract may not be provided for the
unit after the month during which the unit was vacated.
4. Any voucher issued pursuant to this section for a homeless individ-
ual or family may be used for housing anywhere in the state. The rele-
vant agency administering this program shall inform voucher holders that
a voucher may be used anywhere in the state and, to the extent practica-
ble, shall assist voucher holders in finding housing in the area of
their choice.
§ 609. Inspection of units newly rented for homeless individuals and
families. 1. Initial inspection. (a) In general. For each dwelling unit
for which a housing assistance payment contract is established, the
agency administering this program shall inspect the unit before any
assistance payment is made to determine whether the dwelling unit meets
the housing quality standards under subdivision two of this section,
except as provided in paragraphs (b) or (c) of this subdivision. Howev-
er, the commissioner may waive this inspection requirement to the extent
necessary to protect public health or expedite implementation of this
program.
(b) Correction of non-life-threatening conditions. In the case of any
dwelling unit that is determined, pursuant to an inspection under para-
graph (a) of this subdivision, not to meet the housing quality standards
under subdivision two of this section, assistance payments may be made
for the unit, notwithstanding subdivision three of this section, if
failure to meet such standards is a result only of non-life-threatening
conditions, as such conditions are established by the commissioner. An
agency making assistance payments pursuant to this paragraph for a
dwelling unit shall, thirty days after the beginning of the period for
which such payments are made, withhold any assistance payments for the
unit if any deficiency resulting in noncompliance with the housing qual-
ity standards has not been corrected by such time. The agency shall
recommence assistance payments when such deficiency has been corrected,
and may use any payments withheld to make assistance payments relating
to the period during which payments were withheld.
(c) Use of alternative inspection method for interim period. In the
case of any property that within the previous twenty-four months has met
the requirements of an inspection that qualifies as an alternative inspection method pursuant to subdivision four of this section, an agency administering this program may authorize occupancy before the inspection under paragraph (a) of this subdivision has been completed, and may make assistance payments retroactive to the beginning of the lease term after the unit has been determined pursuant to an inspection under paragraph (a) of this subdivision to meet the housing quality standards under subdivision two of this section. This paragraph may not be construed to exempt any dwelling unit from compliance with the requirements of subdivision four of this section.

2. Housing quality standards. The housing quality standards under this subdivision are standards for safe and habitable housing established:

(a) by the commissioner for purposes of this subdivision; or

(b) by local housing codes or by codes adopted by public housing agencies that:

(i) meet or exceed housing quality standards, except that the commissioner may waive the requirement under this subparagraph to significantly increase access to affordable housing and to expand housing opportunities for individuals or families assisted under this subdivision, except where such waiver could adversely affect the health or safety of individuals or families assisted under this subdivision; and

(ii) do not severely restrict housing choice.

3. Inspection. The determination required under subdivision one of this section shall be made by the agency administering this program pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit. Inspections of dwelling units under this subdivision shall be made before the expiration of the fifteen day period beginning upon a request by the resident or landlord to the agency or, in the case of any agency that provides assistance under this subdivision on behalf of more than one thousand two hundred fifty individuals and families, before the expiration of a reasonable period beginning upon such request.

4. Alternative inspection method. An inspection of a property shall qualify as an alternative inspection method for purposes of this subdivision if:

(a) the inspection was conducted pursuant to requirements under a federal, state, or local housing program; and

(b) pursuant to such inspection, the property was determined to meet the standards or requirements regarding housing quality or safety applicable to properties assisted under such program, and, if a non-state standard or requirement was used, the agency administering this program has certified to the commissioner that such standard or requirement provides the same or greater protection to occupants of dwelling units meeting such standard or requirement as would the housing quality standards under subdivision two of this section.

5. Interim inspections. Upon notification to the agency administering this program, by an individual or family on whose behalf tenant-based rental assistance is provided under this subdivision or by a government official, that the dwelling unit for which such assistance is provided does not comply with the housing quality standards under subdivision two of this section, the agency shall inspect the dwelling unit:

(a) in the case of any condition that is life-threatening, within twenty-four hours after the agency's receipt of such notification, unless waived by the commissioner in extraordinary circumstances; and

(b) in the case of any condition that is not life-threatening, within a reasonable time frame, as determined by the commissioner.
6. Inspection guidelines. The commissioner shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of public housing agencies and shall provide flexibility to agencies appropriate to facilitate efficient provision of assistance under this subdivision.

§ 610. Housing obligations. Nothing in this section shall lessen or abridge any fair housing obligations promulgated by the federal government, state, municipalities, localities, or any other applicable jurisdiction.

§ 611. Reports by the commissioner. The commissioner shall, on or before December first, two thousand twenty and on or before March first, two thousand twenty-one submit and make publicly available a report to the governor, the temporary president of the senate, the speaker of the assembly, and on its website, on the number of individuals, families, and households that have applied for assistance, the number of applications accepted, the number of applications rejected, the status of any pending applications, the monthly expenditures made pursuant to this article including recipient demographic data, regional data, and details on assistance payment values.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part of this act directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid clause, sentence, paragraph, subdivision, section or part had not been included herein.

§ 3. This act shall take effect immediately.