

STATE OF NEW YORK

6853--B

2021-2022 Regular Sessions

IN SENATE

May 19, 2021

Introduced by Sen. KAVANAGH -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend chapter 381 of the laws of 2020, establishing the "COVID-19 Emergency Eviction and Foreclosure Prevention Act of 2020"; to amend chapter 56 of the laws of 2021, establishing the "COVID-19 Emergency Rental Assistance Program of 2021"; and to amend the social services law, in relation to rental assistance; and to repeal certain provisions of the social services law upon expiration thereof

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

1 Section 1. Subdivision 4 of section 1 of part A of chapter 381 of the
2 laws of 2020, establishing the "COVID-19 Emergency Eviction and Foreclo-
3 sure Prevention Act of 2020", as amended by chapter 104 of the laws of
4 2021, is amended to read as follows:

5 4. "Hardship declaration" means the following statement, or a substan-
6 tially equivalent statement in the tenant's primary language, in
7 14-point type, published by the office of court administration, whether
8 in physical or electronic written form:

9 "NOTICE TO TENANT: If you have lost income or had increased costs
10 during the COVID-19 pandemic, or moving would pose a significant health
11 risk for you or a member of your household due to an increased risk for
12 severe illness or death from COVID-19 due to an underlying medical
13 condition, and you sign and deliver this hardship declaration form to
14 your landlord, you cannot be evicted until at least August 31, 2021 for
15 nonpayment of rent or for holding over after the expiration of your
16 lease. You may still be evicted for violating your lease by persistently
17 and unreasonably engaging in behavior that substantially infringes on

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

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1 the use and enjoyment of other tenants or occupants or causes a substan-
2 tial safety hazard to others.

3 If your landlord has provided you with this form, your landlord must
4 also provide you with a mailing address and e-mail address to which you
5 can return this form. If your landlord has already started an eviction
6 proceeding against you, you can return this form to either your land-
7 lord, the court, or both at any time. You should keep a copy or picture
8 of the signed form for your records. You will still owe any unpaid rent
9 to your landlord. You should also keep careful track of what you have
10 paid and any amount you still owe.

11 For more information about legal resources that may be available to
12 you, go to www.nycourts.gov/evictions/nyc/ or call 718-557-1379 if you
13 live in New York City or go to www.nycourts.gov/evictions/outside-nyc/
14 or call a local bar association or legal services provider if you live
15 outside of New York City. ~~[Rent-relief]~~ Financial assistance may be
16 available to you, ~~[and-you]~~ even if you have not qualified for assist-
17 ance in the past, under the COVID-19 Emergency Rental Assistance
18 Program. You should contact your local housing assistance office or
19 visit <https://otda.ny.gov> on the internet for information on how to
20 apply.

21 TENANT'S DECLARATION OF HARDSHIP DURING THE COVID-19 PANDEMIC

22 I am a tenant, lawful occupant, or other person responsible for paying
23 rent, use and occupancy, or any other financial obligation under a lease
24 or tenancy agreement at (address of dwelling unit).

25 YOU MUST INDICATE BELOW YOUR QUALIFICATION FOR EVICTION PROTECTION BY
26 SELECTING OPTION "A" OR "B", OR BOTH.

27 A. () I am experiencing financial hardship, and I am unable to pay my
28 rent or other financial obligations under the lease in full or obtain
29 alternative suitable permanent housing because of one or more of the
30 following:

31 1. Significant loss of household income during the COVID-19 pandemic.

32 2. Increase in necessary out-of-pocket expenses related to performing
33 essential work or related to health impacts during the COVID-19 pandem-
34 ic.

35 3. Childcare responsibilities or responsibilities to care for an
36 elderly, disabled, or sick family member during the COVID-19 pandemic
37 have negatively affected my ability or the ability of someone in my
38 household to obtain meaningful employment or earn income or increased my
39 necessary out-of-pocket expenses.

40 4. Moving expenses and difficulty I have securing alternative housing
41 make it a hardship for me to relocate to another residence during the
42 COVID-19 pandemic.

43 5. Other circumstances related to the COVID-19 pandemic have negative-
44 ly affected my ability to obtain meaningful employment or earn income or
45 have significantly reduced my household income or significantly
46 increased my expenses.

47 To the extent that I have lost household income or had increased
48 expenses, any public assistance, including unemployment insurance,
49 pandemic unemployment assistance, disability insurance, or paid family
50 leave, that I have received since the start of the COVID-19 pandemic
51 does not fully make up for my loss of household income or increased
52 expenses.

B. () Vacating the premises and moving into new permanent housing would pose a significant health risk because I or one or more members of my household have an increased risk for severe illness or death from COVID-19 due to being over the age of sixty-five, having a disability or having an underlying medical condition, which may include but is not limited to being immunocompromised.

I understand that I must comply with all other lawful terms under my tenancy, lease agreement or similar contract. I further understand that lawful fees, penalties or interest for not having paid rent in full or met other financial obligations as required by my tenancy, lease agreement or similar contract may still be charged or collected and may result in a monetary judgment against me. I further understand that my landlord may be able to seek eviction after August 31, 2021, and that the law may provide certain protections at that time that are separate from those available through this declaration.

Signed:

Printed name:

Date signed:

NOTICE: You are signing and submitting this form under penalty of law. That means it is against the law to make a statement on this form that you know is false."

§ 2. The opening paragraph of section 1 and sections 2, 3, 4, 5, 6 and 8 of subpart A of part B of chapter 381 of the laws of 2020, establishing the "COVID-19 Emergency Eviction and Foreclosure Prevention Act of 2020", sections 2, 5, and 8 as amended by chapter 104 of the laws of 2021, are amended to read as follows:

This section shall apply to any action to foreclose a mortgage relating to residential real property or a non-judicial foreclosure of shares in a residential dwelling, provided the owner or mortgagor of such property is a natural person, regardless of how title is held, and owns ten or fewer dwelling units whether directly or indirectly. The ~~ten~~ fifty or fewer dwelling units may be in more than one property or building as long as the total aggregate number of ~~ten~~ fifty units includes the primary residence ~~of~~ owned by the natural person requesting such relief, if any, and the remaining units are currently occupied by a tenant or are available for rent.

§ 2. Definitions. For the purposes of this act, "Hardship Declaration" means the following statement, or a substantially equivalent statement in the mortgagor's primary language, in 14-point type, published by the office of court administration, whether in physical or electronic written form:

"NOTICE TO MORTGAGOR: If you have lost income or had increased costs during the COVID-19 pandemic, and you sign and deliver this hardship declaration form to your mortgage lender or the servicer of your mortgage or other foreclosing party, you cannot be foreclosed on until at least August 31, 2021.

If your mortgage lender or mortgage servicer or other foreclosing party provided you with this form, the mortgage lender or mortgage servicer or other foreclosing party must also provide you with a mailing address and e-mail address to which you can return this form. If you are already in foreclosure proceedings, you may return this form to the court with a copy sent simultaneously to the foreclosing plaintiff's attorney. You should keep a copy or picture of the signed form for your

records. You will still owe any unpaid mortgage payments and lawful fees to your lender. You may be eligible for forbearance under section 9-x of the Banking Law if you have a mortgage with a state chartered bank or a state licensed mortgage servicer. You should also keep careful track of what you have paid and any amount you still owe.

For more information about the legal assistance that may be available to you, please call the Homeowner Protection Program (HOPP) hotline at (855) HOME-456 or (855) 466-3456 or visit <https://homeownerhelpny.org/>.

MORTGAGOR'S DECLARATION OF COVID-19-RELATED HARDSHIP

I am the mortgagor of the property at (address of dwelling unit). Including my primary residence, I own, whether directly or indirectly, ~~ten~~ fifty or fewer residential dwelling units. I am experiencing financial hardship, and I am unable to pay my mortgage in full because of one or more of the following:

1. Significant loss of household income during the COVID-19 pandemic.
2. Increase in necessary out-of-pocket expenses related to performing essential work or related to health impacts during the COVID-19 pandemic.
3. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member during the COVID-19 pandemic have negatively affected my ability or the ability of someone in my household to obtain meaningful employment or earn income or increased my necessary out-of-pocket expenses.
4. Moving expenses and difficulty I have securing alternative housing make it a hardship for me to relocate to another residence during the COVID-19 pandemic.
5. Other circumstances related to the COVID-19 pandemic have negatively affected my ability to obtain meaningful employment or earn income or have significantly reduced my household income or significantly increased my expenses.
6. One or more of my tenants has defaulted on a significant amount of their rent payments since March 1, 2020.

To the extent I have lost household income or had increased expenses, any public assistance, including unemployment insurance, pandemic unemployment assistance, disability insurance, or paid family leave, that I have received since the start of the COVID-19 pandemic does not fully make up for my loss of household income or increased expenses.

I understand that I must comply with all other lawful terms under my mortgage agreement. I further understand that lawful fees, penalties or interest for not having paid my mortgage in full as required by my mortgage agreement or any subsequent forbearance agreements to which I may be entitled may still be charged or collected [~~and may result in a monetary judgment against me~~]. I also understand that my mortgage lender or mortgage servicer or other foreclosing party may pursue a foreclosure action or non-judicial foreclosure against me on or after August 31, 2021, if I do not fully repay any missed or partial payments and lawful fees.

Signed:

Printed Name:

Date Signed:

NOTICE: You are signing and submitting this form under penalty of law. That means it is against the law to make a statement on this form that you know is false."

§ 3. Any action to foreclose a mortgage pending on the effective date of this act, including actions filed on or before March 7, 2020, or commenced within thirty days of the effective date of this act shall be

1 stayed for at least sixty days, or to such later date that the chief
2 administrative judge shall determine is necessary to ensure that courts
3 are prepared to conduct proceedings in compliance with this act and to
4 give mortgagors an opportunity to submit the hardship declaration pursu-
5 ant to this act, unless the defendant waives such a stay. The court in
6 each case shall promptly issue an order directing such stay and promptly
7 mail the mortgagor a copy of the hardship declaration in English, and,
8 to the extent practicable, the mortgagor's primary language, if other
9 than English.

10 § 4. The foreclosing party shall include a "Hardship Declaration" in
11 14-point type, with every notice provided to a mortgagor pursuant to
12 sections 1303 and 1304 of the real property actions and proceedings law
13 or subsection (f) of section 9-611 of the uniform commercial code. If
14 the translation of the hardship declaration in the mortgagor's primary
15 language is not available on the office of court administration's public
16 website, as provided by section nine of this act, it shall be the fore-
17 closing party's responsibility to obtain a suitable translation of the
18 hardship declaration in the mortgagor's primary language. Such notice
19 shall also include a mailing address, telephone number and active email
20 address the mortgagor can use to contact the foreclosing party and
21 return the hardship declaration.

22 § 5. If a mortgagor provides a hardship declaration to the foreclosing
23 party or an agent of the foreclosing party, there shall be no initiation
24 of an action to foreclose a mortgage against the mortgagor until at
25 least August 31, 2021, and in such event [~~any specific time limit~~] the
26 statute of limitations for the commencement of an action to foreclose a
27 mortgage or a non-judicial foreclosure shall be tolled until August 31,
28 2021.

29 § 6. No court shall accept for filing any action to foreclose a mort-
30 gage, nor shall any mortgage lender or mortgage servicer commence any
31 non-judicial foreclosure sale pursuant to article 9 of the uniform
32 commercial code unless the foreclosing party or an agent of the fore-
33 closing party files an affidavit, under penalty of perjury:

34 (i) of service demonstrating the manner in which the foreclosing
35 party's agent served a copy of the hardship declaration in English and
36 the mortgagor's primary language, if other than English, with the
37 notice, if any, provided to the mortgagor pursuant to sections 1303 and
38 1304 of the real property actions and proceedings law, and

39 (ii) attesting that at the time of filing, neither the foreclosing
40 party nor any agent of the foreclosing party has received a hardship
41 declaration from the mortgagor.

42 At the earliest possible opportunity, the court shall seek confirma-
43 tion on the record or in writing that the mortgagor has received a copy
44 of the hardship declaration and that the mortgagor has not returned the
45 hardship declaration to the foreclosing party or an agent of the fore-
46 closing party. If the court determines a mortgagor has not received a
47 hardship declaration, then the court shall stay the proceeding for a
48 reasonable period of time, which shall be no less than [~~ten~~] 30 business
49 days or any longer period provided by law, to ensure the mortgagor
50 received and fully considered whether to submit the hardship declara-
51 tion.

52 § 8. 1. In any action to foreclose a mortgage in which a judgment of
53 sale has been issued prior to the effective date of this act but has not
54 yet been executed as of the effective date of this act, including
55 actions filed on or before March 7, 2020, the court shall stay the
56 execution of the judgment at least until the court has held a status

1 conference with the parties. In any action to foreclose a mortgage, if
2 the mortgagor provides a hardship declaration to the foreclosing party,
3 the court, or an agent of the foreclosing party or the court, prior to
4 the execution of the judgment, the execution shall be stayed until at
5 least August 31, 2021. If such hardship declaration is provided to the
6 foreclosing party or agent of the foreclosing party, such foreclosing
7 party or agent shall promptly file it with the court, advising the court
8 in writing the index number of all relevant cases.

9 2. In any non-judicial foreclosure of shares in a residential dwelling
10 where a sale has been scheduled prior to the effective date of this act
11 but has not yet occurred as of the effective date of this act, including
12 non-judicial foreclosures filed on or before March 7, 2020, the mortgage
13 lender or mortgage servicer or other foreclosing party shall not proceed
14 with such sale until at least the mortgage lender or mortgage servicer
15 or other foreclosing party has held a status conference with the mortga-
16 gor. In any non-judicial foreclosure of shares in a residential dwell-
17 ing, if the mortgagor provides a hardship declaration to the foreclosing
18 party prior to the sale, the sale shall be stayed until at least May 1,
19 2021.

20 § 3. Section 1, subdivision 3 of section 2, and subdivision 2 of
21 section 3 of subpart B of part B of chapter 381 of the laws of 2020,
22 establishing the "COVID-19 Emergency Eviction and Foreclosure Prevention
23 Act of 2020", subdivision 3 of section 2 as amended by chapter 104 of
24 the laws of 2021, are amended to read as follows:

25 Section 1. Application. This act shall apply to any action to fore-
26 close on delinquent taxes or [~~sell-a~~] sales of tax [~~lien~~] liens relating
27 to residential real property, provided the owner or mortgagor of such
28 property is a natural person, regardless of how title is held, and owns
29 [~~ten~~] fifty or fewer dwelling units whether directly or indirectly. The
30 [~~ten~~] fifty or fewer dwelling units may be in more than one property or
31 building as long as the total aggregate number of [~~ten~~] fifty units
32 includes the primary residence of the natural person requesting such
33 relief, if any, and the remaining units are currently occupied by a
34 tenant or are available for rent.

35 (a) For purposes of this act, real property shall include shares in a
36 residential cooperative.

37 (b) For purposes of this act, real property shall not include property
38 that is vacant and abandoned, as defined in subdivision 2 of section
39 1309 of the real property actions and proceedings law, which was listed
40 on the statewide vacant and abandoned property electronic registry, as
41 defined in section 1310 of the real property actions and proceedings
42 law, prior to March 7, 2020 and that remains on such registry.

43 3. "Hardship Declaration" means the following statement, or a substan-
44 tially equivalent statement in the owner's primary language, in 14-point
45 type, whether in physical or electronic written form:

46 "OWNER DECLARATION OF COVID-19-RELATED HARDSHIP

47 I am the owner of the property at (address). Including my primary
48 residence, I own, whether directly or indirectly, [~~ten~~] fifty or fewer
49 residential dwelling units. I am experiencing financial hardship, and I
50 am unable to pay my full tax bill because of one or more of the follow-
51 ing:

52 1. Significant loss of household income during the COVID-19 pandemic.

53 2. Increase in necessary out-of-pocket expenses related to performing
54 essential work or related to health impacts during the COVID-19 pandem-
55 ic.

3. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member during the COVID-19 pandemic have negatively affected my ability or the ability of someone in my household to obtain meaningful employment or earn income or increased my necessary out-of-pocket expenses.

4. Moving expenses and difficulty I have securing alternative housing make it a hardship for me to relocate to another residence during the COVID-19 pandemic.

5. Other circumstances related to the COVID-19 pandemic have negatively affected my ability to obtain meaningful employment or earn income or have significantly reduced my household income or significantly increased my expenses.

6. One or more of my tenants has defaulted on a significant amount of their rent payments since March 1, 2020.

To the extent that I have lost household income or had increased expenses, any public assistance, including unemployment insurance, pandemic unemployment assistance, disability insurance, or paid family leave, that I have received since the start of the COVID-19 pandemic does not fully make up for my loss of household income or increased expenses.

I understand that lawful fees, penalties or interest for not having paid my taxes in full may still be charged or collected and may result in a foreclosure action against me on or after August 31, 2021, if I do not fully repay any missed or partial payments and fees.

Signed:

Printed Name:

Date Signed:

NOTICE: You are signing and submitting this form under penalty of law. That means it is against the law to make a statement on this form that you know is false."

2. At least thirty days prior to the date on which a sale of a tax lien is scheduled to occur, or upon the filing of a petition of foreclosure of a tax lien, the enforcing officer or other person or entity conducting such tax lien sale or tax foreclosure shall notify the owner of the affected property of such owner's rights under this act and shall notify the owner that a copy of the hardship declaration can be accessed on the New York State Department of Tax and Finance's website and also provide a ~~[link to such]~~ copy of the declaration form. For the purposes of this act, "enforcing officer" shall have the same meaning as defined in subdivision 3 of section 1102 of the real property tax law. The New York State Department of Tax and Finance shall publish a copy of the hardship declaration on its website.

§ 4. The opening paragraph of subdivision 1 and subdivision 2 of section 1 of subpart C of part B of chapter 381 of the laws of 2020, establishing the "COVID-19 Emergency Eviction and Foreclosure Prevention Act of 2020", subdivision 2 of section 1 as amended by chapter 104 of the laws of 2021, are amended to read as follows:

This act shall apply to an owner of residential real property, provided the owner or mortgagor of such property is a natural person, regardless of how title is held, and owns ~~[ten]~~ fifty or fewer dwelling units whether directly or indirectly. The ~~[ten]~~ fifty or fewer dwelling units may be in more than one property or building as long as the total aggregate number of ~~[ten]~~ fifty units includes the primary residence ~~[of]~~ owned by the natural person requesting such relief, if any, and the remaining units are currently occupied by a tenant or are available for rent.

2. Hardship declaration. For purposes of this act, "hardship declaration" shall mean the following statement, or a substantially equivalent statement in the owner or mortgagor's primary language, in 14-point type, whether in physical or electronic written form, and the department of financial services shall publish a copy of the hardship declaration on its website:

"NOTICE TO OWNER/MORTGAGOR: If you have lost income or had increased costs due to the COVID-19 pandemic, and you sign and deliver this hardship declaration form to your lending institution, you cannot be discriminated against in the determination of whether credit should be extended or reported negatively to a credit reporting agency until at least August 31, 2021.

If a lending institution provided you with this form, the lending institution must also provide you with a mailing address and e-mail address to which you can return this form. You should keep a copy or picture of the signed form for your records.

OWNER/MORTGAGOR DECLARATION OF COVID-19-RELATED HARDSHIP

I am the OWNER/MORTGAGOR of the property at (address of dwelling unit). Including my primary residence, I own, whether directly or indirectly, ~~ten~~ fifty or fewer residential dwelling units. I am experiencing financial hardship, and I am unable to pay my mortgage in full because of one or more of the following:

1. Significant loss of household income during the COVID-19 pandemic.
2. Increase in necessary out-of-pocket expenses related to performing essential work or related to health impacts during the COVID-19 pandemic.
3. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member during the COVID-19 pandemic have negatively affected my ability or the ability of someone in my household to obtain meaningful employment or earn income or increased my necessary out-of-pocket expenses.
4. Moving expenses and difficulty I have securing alternative housing make it a hardship for me to relocate to another residence during the COVID-19 pandemic.
5. Other circumstances related to the COVID-19 pandemic have negatively affected my ability to obtain meaningful employment or earn income or have significantly reduced my household income or significantly increased my expenses.
6. One or more of my tenants has defaulted on a significant amount of their rent payments since March 1, 2020.

To the extent that I have lost household income or had increased expenses, any public assistance, including unemployment insurance, pandemic unemployment assistance, disability insurance, or paid family leave, that I have received since the start of the COVID-19 pandemic does not fully make up for my loss of household income or increased expenses.

Signed:

Printed Name:

Date Signed:

NOTICE: You are signing and submitting this form under penalty of law. That means it is against the law to make a statement on this form that you know is false."

§ 5. Section 2 of section 1 of subpart A of part BB of chapter 56 of the laws of 2021, establishing the "COVID-19 Emergency Rental Assistance Program of 2021", is amended by adding a new subdivision 13 to read as follows:

1 13. "Municipal emergency rental assistance program" shall mean a
2 program providing rental assistance, utility assistance, or both using
3 federal emergency rental assistance program funds, administered by a
4 municipal corporation that has not chosen to participate in the state-
5 wide program pursuant to subdivision three of section three of this act.

6 § 6. Subdivision 3 of section 3 of section 1 of subpart A of part BB
7 of chapter 56 of the laws of 2021, establishing the "COVID-19 Emergency
8 Rental Assistance Program of 2021", is amended to read as follows:

9 3. The commissioner shall develop and promulgate a form outlining the
10 obligations of each municipal corporation that chooses to participate in
11 the statewide program. Those municipal corporations who choose to
12 participate shall remit such form to the office of temporary and disa-
13 bility assistance within 10 business days from the date of issuance. At
14 such time that the municipal corporation has affirmed their partic-
15 ipation, upon receipt of the completed form by the office of temporary
16 and disability assistance and the director of the budget, and the feder-
17 al department of the treasury, the municipal corporation shall remit
18 their allocation of funds to the state in such manner as determined by
19 the division of the budget. Provided, after the office has acknowledged
20 receipt of the completed form, residents of such municipality shall be
21 entitled to benefit from funds made available for this purpose, subject
22 to the continued availability of funds. Provided further, if a munici-
23 pality that chooses not to participate has exhausted their allocation of
24 funds, residents of such municipality shall be entitled to benefit from
25 funds made available for this purpose under the statewide program in the
26 same manner as residents of municipalities who choose to participate,
27 subject to the continued availability of funds.

28 § 7. Subparagraph (i) of paragraph (a) of subdivision 1 of section 5
29 of section 1 of subpart A of part BB of chapter 56 of the laws of 2021,
30 establishing the "COVID-19 Emergency Rental Assistance Program of 2021",
31 is amended to read as follows:

32 (i) is a tenant or occupant obligated to pay rent in their primary
33 residence in the state of New York, including both tenants and occupants
34 of dwelling units and manufactured home tenants[, ~~provided however that~~
35 ~~occupants of federal or state funded subsidized public housing authori-~~
36 ~~ties or other federal or state funded subsidized housing that limits the~~
37 ~~household's share of the rent to a set percentage of income shall only~~
38 ~~be eligible to the extent that funds are remaining after serving all~~
39 ~~other eligible populations~~];

40 § 8. Section 8 of section 1 of subpart A of part BB of chapter 56 of
41 the laws of 2021, establishing the "COVID-19 Emergency Rental Assistance
42 Program of 2021", is amended to read as follows:

43 § 8. Restrictions on eviction. 1. Eviction proceedings for a holdover
44 or expired lease, or non-payment of rent or utilities that would be
45 eligible for coverage under this program or a municipal emergency rental
46 assistance program shall not be commenced against a household who has
47 applied for this program or a municipal emergency rental assistance
48 program unless or until a determination of ineligibility is made. If
49 such eviction proceedings are commenced against a household who subse-
50 quently applies for benefits under this program or a municipal emergency
51 rental assistance program, all proceedings shall be stayed pending a
52 determination of eligibility. Evidence of a payment received pursuant to
53 this act or a municipal emergency rental assistance program may be
54 presented in such proceeding and create a presumption that the tenant's
55 or occupant's rent or utility obligation for the time period covered by
56 the payment has been fully satisfied.

2. Nothing in subdivision one of this section shall prevent eviction proceedings from being commenced or shall cause eviction proceedings to be stayed if the tenant is persistently and unreasonably engaging in behavior that substantially infringes on the use and enjoyment of other tenants or occupants or causes a substantial safety hazard to others, provided: (a) if an eviction proceeding is pending on the date a household applies for this program or a municipal emergency rental assistance program, but the petitioner has not previously alleged that the tenant persistently and unreasonably engaged in such behavior, the petitioner shall be required to submit a new petition with such allegations and comply with all notice and service requirements under article 7 of the real property actions and proceedings law and this section; (b) if the court has awarded a judgment against a respondent prior to the date a household applies for this program or a municipal emergency rental assistance program on the basis of objectionable or nuisance behavior, the court shall hold a hearing to determine whether the tenant is continuing to persist in engaging in unreasonable behavior that substantially infringes on the use and enjoyment of other tenants or occupants or causes a substantial safety hazard to others; (c) for the purposes of this section, a mere allegation of the behavior by the petitioner or an agent of the petitioner alleging such behavior shall not be sufficient evidence to establish that the tenant has engaged in such behavior; (d) if the petitioner fails to establish that the tenant persistently and unreasonably engaged in such behavior and the tenant has applied for this program or a municipal emergency rental assistance program, the court shall stay or continue to stay any further proceedings unless or until a determination of ineligibility is made; and (e) if the petitioner establishes that the tenant persistently and unreasonably engaged in such behavior, if the tenant has not applied for this program or a municipal emergency rental assistance program, or if a determination of ineligibility for this program or a municipal emergency rental assistance program has been made, the proceeding may continue pursuant to article 7 of the real property actions and proceedings law and this section.

§ 9. Subdivision 1 of section 9 of section 1 of subpart A of part BB of chapter 56 of the laws of 2021, establishing the "COVID-19 Emergency Rental Assistance Program of 2021", is amended to read as follows:

1. Payments shall be made for rental payments or rental and utility arrears accrued on or after March 13, 2020. No more than ~~[12]~~ 18 months of rental and/or utility assistance for arrears ~~[and 3 months of prospective rental assistance]~~ may be paid on behalf of any eligible household. To the extent the commissioner finds that adequate federal funding is available after accounting for actual payments of rental and utility assistance for arrears to eligible households and estimated amounts of such arrears projected to be paid on behalf of eligible households who have applied for the program, up to 3 months of prospective rental assistance may be paid on behalf of an eligible household. Provided, however that only rent burdened households shall be eligible to receive prospective rent payments and provided further that in no event may the total combined amount of rental arrears and prospective rent paid on behalf of any household exceed 18 months.

§ 10. Paragraph (d) of subdivision 2 of section 9 of section 1 of subpart A of part BB of chapter 56 of the laws of 2021, establishing the "COVID-19 Emergency Rental Assistance Program of 2021", is amended and a new paragraph (e) is added to read as follows:

(d) Acceptance of payment for rent or rental arrears from this program or a municipal emergency rental assistance program shall constitute agreement by the recipient landlord or property owner: (i) that the arrears covered by this payment are satisfied and will not be used as the basis for a non-payment eviction; (ii) to waive any late fees due on any rental arrears paid pursuant to this program or a municipal emergency rental assistance program; (iii) to not increase the monthly rent due for the dwelling unit such that it shall not be greater than the amount that was due at the time of application to ~~the~~ this program or a municipal emergency rental assistance program for any and all months for which rental assistance is received and for one year after the first rental assistance payment is received unless otherwise required by 42 USC §1437a(a)(1); (iv) except as provided in paragraph (e) of this subdivision, not to evict for reason of expired lease or holdover tenancy any household on behalf of whom rental assistance is received for 12 months after the first rental assistance payment is received, unless the dwelling unit that is the subject of the lease or rental agreement is located in a building that contains 4 or fewer units, in which case 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 as a primary residence or the use of an immediate family member as a primary residence; and (v) to notify the tenant of the protections established under this subdivision.

(e) Nothing in paragraph (d) of this subdivision shall prevent eviction proceedings from being commenced or shall cause eviction proceedings to be stayed if the tenant is persistently and unreasonably engaging in behavior that substantially infringes on the use and enjoyment of other tenants or occupants or causes a substantial safety hazard to others, provided: (i) if an eviction proceeding is pending on the date a landlord or property owner accepts payment for rent or rental arrears from this program or a municipal emergency rental assistance program, but the petitioner has not previously alleged that the tenant persistently and unreasonably engaged in such behavior, the petitioner shall be required to submit a new petition with such allegations and comply with all notice and service requirements under article 7 of the real property actions and proceedings law and this paragraph; (ii) if the court has awarded a judgment against a respondent prior to the date a landlord or property owner accepts payment for rent or rental arrears from this program or a municipal emergency rental assistance program on the basis of objectionable or nuisance behavior, the court shall hold a hearing to determine whether the tenant is continuing to persist in engaging in unreasonable behavior that substantially infringes on the use and enjoyment of other tenants or occupants or causes a substantial safety hazard to others; (iii) for the purposes of this paragraph, a mere allegation of the behavior by the petitioner or an agent of the petitioner alleging such behavior shall not be sufficient evidence to establish that the tenant has engaged in such behavior; (iv) if the petitioner fails to establish that the tenant persistently and unreasonably engaged in such behavior and the landlord or property owner accepts payment for rent or rental arrears from this program or a municipal emergency rental assistance program, the court shall stay or continue to stay any further proceedings until the 12 month period provided for in paragraph (d) of this subdivision has elapsed; and (v) if the petitioner establishes that the tenant persistently and unreasonably engaged in such behavior, the proceeding may continue pursuant to article 7 of the real property actions and proceedings law and this paragraph.

§ 11. Sections 10 and 11 of section 1 of subpart A of part BB of chapter 56 of the laws of 2021, establishing the "COVID-19 Emergency Rental Assistance Program of 2021", are amended to read as follows:

§ 10. No repayment and assistance not considered income. Eligible households shall not be expected or required to repay any assistance granted through this program, except in instances of fraud perpetrated by such household. Landlords shall not be expected or required to repay any funds paid through this program except in instances of duplicate payments or fraud perpetrated by the landlord. Assistance granted through this program or a municipal emergency rental assistance program shall not be considered income for purposes of eligibility for public benefits or other public assistance to the extent allowed by law, but shall be considered a "source of income" for purposes of the protections against housing discrimination provided under section 296 of the human rights law. There shall be no requirement for applicants to seek assistance from other sources, including charitable contributions, in order to be eligible for assistance under this program.

§ 11. Notice to tenants in eviction proceedings. In any eviction proceeding pending as of the effective date of this article and any eviction proceeding filed while applications are being accepted for assistance pursuant to this article or a municipal emergency rental assistance program, the court shall promptly make available to the respondent information regarding how the respondent may apply for such assistance in English, and, to the extent practicable, in the respondent's primary language, if other than English.

§ 12. The social services law is amended by adding a new section 131-bb to read as follows:

§ 131-bb. Proof of eligibility for rental assistance. Under no circumstances shall a local social services district require proof that a court proceeding has been initiated against a tenant as a condition of eligibility for a rent arrears grant or ongoing rental assistance including rental assistance provided pursuant to this article.

§ 13. Section 131-w of the social services law, as added by chapter 41 of the laws of 1992, is amended to read as follows:

§ 131-w. Limitations in the payment of rent arrears. 1. Districts shall not provide assistance to pay rent arrears, property taxes or mortgage arrears for persons not eligible for home relief, aid to dependent children, emergency assistance to needy families with children or emergency assistance for aged, blind and disabled persons, except to persons who are without income or resources immediately available to meet the emergency need, whose gross household income does not exceed one hundred twenty-five percent of the federal income official poverty line and who sign a repayment agreement agreeing to repay the assistance in a period not to exceed twelve months. The districts shall enforce the repayment agreements by any legal method available to a creditor, in addition to any rights it has pursuant to this chapter. The department shall promulgate regulations to implement this section which shall, among other things, establish standards for the contents of repayment agreements and establish standards to ensure that assistance is provided only in emergency circumstances.

2. Notwithstanding the provisions of subdivision one of this section, no repayment agreement shall be required for assistance provided between March seventh, two thousand twenty and February twenty-eighth, two thousand twenty-two. Any payment due and owing under this section shall be suspended until the later of the end of the state of emergency declared pursuant to executive order number 202 of 2020 or February twenty-

eighth, two thousand twenty-two. Districts shall not require any household who is otherwise eligible for assistance pursuant to this section to demonstrate a future ability to pay rent or repay any assistance provided under this section in order to receive assistance pursuant to this section until the later of the end of the state of emergency declared pursuant to executive order number 202 of 2020 or February twenty-eighth, two thousand twenty-two.

§ 14. Subdivision 1 of section 131-s of the social services law, as amended by chapter 318 of the laws of 2009, is amended to read as follows:

1. (a) In the case of a person applying for public assistance, supplemental security income benefits or additional state payments pursuant to this chapter, the social services official of the social services district in which such person resides shall, unless alternative payment or living arrangements can be made, make a payment to a gas corporation, electric corporation or municipality for services provided to such person during a period of up to, but not exceeding, four months immediately preceding the month of application for such assistance or benefits if such payment is needed to prevent shut-off or to restore service. Persons whose gross household income exceeds the public assistance standard of need for the same size household must sign a repayment agreement to repay the assistance within two years of the date of payment as a condition of receiving assistance, in accordance with regulations established by the department. Such repayment agreement may be enforced in any manner available to a creditor, in addition to any rights the district may have pursuant to this chapter.

(b) Notwithstanding the provisions of paragraph (a) of this subdivision, no repayment agreement shall be required for assistance provided between March seventh, two thousand twenty and the later of the end of the state of emergency declared pursuant to executive order number 202 of 2020 or February twenty-eighth, two thousand twenty-two.

§ 15. Section 106-b of the social services law, as amended by chapter 81 of the laws of 1995, is amended to read as follows:

§ 106-b. Adjustment for incorrect payments. 1. Any inconsistent provision of law notwithstanding, a social services official shall, in accordance with the regulations of the department and consistent with federal law and regulations, take all necessary steps to correct any overpayment or underpayment to a public assistance recipient; provided, however, that a social services official may waive recovery of a past overpayment, in the case of an individual who is not currently a recipient of public assistance, where the cost of recovery is greater than the cost of collections as determined in accordance with department regulations consistent with federal law and regulations. For purposes of this section, overpayment shall include payments made to an eligible person in excess of his or her needs as defined in this chapter and payments made to ineligible persons (including payments made to such persons pending a fair hearings decision). The commissioner shall promulgate regulations to implement procedures for correcting overpayments and underpayments. The procedures for correcting overpayments shall be designed to minimize adverse impact on the recipient, and to the extent possible avoid undue hardship. Notwithstanding any other provision of law to the contrary, no underpayment shall be corrected with respect to a person who is currently not eligible for or in receipt of home relief or aid to dependent children, except that corrective payments may be made with respect to persons formerly eligible for or in

1 receipt of aid to dependent children to the extent that federal law and
2 regulations require.

3 2. Notwithstanding the provisions of subdivision one of this section,
4 no collection of overpayments shall be conducted, regardless of when the
5 overpayment accrued, until the later of the end of the state of emergen-
6 cy declared pursuant to executive order number 202 of 2020 or February
7 twenty-eighth, two thousand twenty-two.

8 § 16. The social services law is amended by adding a new section 131-
9 cc to read as follows:

10 § 131-cc. Family homelessness and eviction prevention supplement
11 program. Notwithstanding any other provision of law to the contrary,
12 for a local social services district with a population of five million
13 or more, the commissioner shall designate such local social services
14 district to make rent supplements available to eligible families under
15 the family homelessness and eviction prevention supplement ("FHEPS")
16 program, and to administer the program in accordance with a plan
17 approved pursuant to 18 N.Y.C.R.R. § 352.3(a)(3), provided however,
18 that the maximum rent for such rent supplements shall be set at the
19 United States department of housing and urban development's fair market
20 rent level. The state shall reimburse the local social services district
21 for payments made under the FHEPS program in a manner consistent with
22 title two of this article.

23 § 17. Severability clause. If any clause, sentence, paragraph, subdi-
24 vision, section or part of this act shall be adjudged by any court of
25 competent jurisdiction to be invalid, such judgment shall not affect,
26 impair, or invalidate the remainder of this act, but shall be confined
27 in its operation to the clause, sentence, paragraph, subdivision,
28 section or part of this act directly involved in the controversy in
29 which such judgment shall have been rendered. It is hereby declared to
30 be the intent of the legislature that this act would have been enacted
31 even if such invalid clause, sentence, paragraph, subdivision, section
32 or part had not been included herein.

33 § 18. This act shall take effect immediately; provided, however, that
34 the amendments to parts A and B of chapter 381 of the laws of 2020 made
35 by this act shall not affect the expiration of such parts and shall
36 expire therewith; provided further that the amendments to subpart A of
37 part BB of chapter 56 of the laws of 2021 made by this act shall not
38 affect the expiration of such subpart and shall be deemed repealed ther-
39 ewith; and provided, further that sections twelve, thirteen, fourteen
40 and fifteen of this act shall expire and be deemed repealed at the later
41 of the end of the state of emergency declared pursuant to executive
42 order number 202 of 2020 or February 28, 2022.