

STATE OF NEW YORK

6853--A

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

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

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

LBD10590-11-1

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

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

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

20 I am a tenant, lawful occupant, or other person responsible for paying
21 rent, use and occupancy, or any other financial obligation under a lease
22 or tenancy agreement at (address of dwelling unit).
23 YOU MUST INDICATE BELOW YOUR QUALIFICATION FOR EVICTION PROTECTION BY
24 SELECTING OPTION "A" OR "B", OR BOTH.

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

29 1. Significant loss of household income during the COVID-19 pandemic.
30 2. Increase in necessary out-of-pocket expenses related to performing
31 essential work or related to health impacts during the COVID-19 pandem-
32 ic.

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

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

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

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

51 B. () Vacating the premises and moving into new permanent housing would
52 pose a significant health risk because I or one or more members of my

1 household have an increased risk for severe illness or death from
2 COVID-19 due to being over the age of sixty-five, having a disability or
3 having an underlying medical condition, which may include but is not
4 limited to being immunocompromised.

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

14 Signed:

15 Printed name:

16 Date signed:

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

20 § 2. The opening paragraph of section 1 and sections 2, 3, 4, 5, 6 and
21 8 of subpart A of part B of chapter 381 of the laws of 2020, establish-
22 ing the "COVID-19 Emergency Eviction and Foreclosure Prevention Act of
23 2020", sections 2, 5, and 8 as amended by chapter 104 of the laws of
24 2021, are amended to read as follows:

25 This section shall apply to any action to foreclose a mortgage relat-
26 ing to residential real property or a non-judicial foreclosure of shares
27 in a residential dwelling, provided the owner or mortgagor of such prop-
28 erty is a natural person, regardless of how title is held, and owns ten
29 or fewer dwelling units whether directly or indirectly. The [~~ten~~] fifty
30 or fewer dwelling units may be in more than one property or building as
31 long as the total aggregate number of [~~ten~~] fifty units includes the
32 primary residence [~~of~~] owned by 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 § 2. Definitions. For the purposes of this act, "Hardship Declaration"
36 means the following statement, or a substantially equivalent statement
37 in the mortgagor's primary language, in 14-point type, published by the
38 office of court administration, whether in physical or electronic writ-
39 ten form:

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

45 If your mortgage lender or mortgage servicer or other foreclosing
46 party provided you with this form, the mortgage lender or mortgage
47 servicer or other foreclosing party must also provide you with a mailing
48 address and e-mail address to which you can return this form. If you are
49 already in foreclosure proceedings, you may return this form to the
50 court with a copy sent simultaneously to the foreclosing plaintiff's
51 attorney. You should keep a copy or picture of the signed form for your
52 records. You will still owe any unpaid mortgage payments and lawful fees
53 to your lender. You may be eligible for forbearance under section 9-x of

1 the Banking Law if you have a mortgage with a state chartered bank or a
2 state licensed mortgage servicer. You should also keep careful track of
3 what you have paid and any amount you still owe.

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

7 MORTGAGOR'S DECLARATION OF COVID-19-RELATED HARDSHIP

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

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

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

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

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

25 5. Other circumstances related to the COVID-19 pandemic have negative-
26 ly affected my ability to obtain meaningful employment or earn income or
27 have significantly reduced my household income or significantly
28 increased my expenses.

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

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

36 I understand that I must comply with all other lawful terms under my
37 mortgage agreement. I further understand that lawful fees, penalties or
38 interest for not having paid my mortgage in full as required by my mort-
39 gage agreement or any subsequent forbearance agreements to which I may
40 be entitled may still be charged or collected [~~and may result in a mone-~~
41 ~~tary judgment against me~~]. I also understand that my mortgage lender or
42 mortgage servicer or other foreclosing party may pursue a foreclosure
43 action or non-judicial foreclosure against me on or after August 31,
44 2021, if I do not fully repay any missed or partial payments and lawful
45 fees.

46 Signed:

47 Printed Name:

48 Date Signed:

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

52 § 3. Any action to foreclose a mortgage pending on the effective date
53 of this act, including actions filed on or before March 7, 2020, or
54 commenced within thirty days of the effective date of this act shall be
55 stayed for at least sixty days, or to such later date that the chief
56 administrative judge shall determine is necessary to ensure that courts

are prepared to conduct proceedings in compliance with this act and to give mortgagors an opportunity to submit the hardship declaration pursuant to this act, unless the defendant waives such a stay. The court in each case shall promptly issue an order directing such stay and promptly mail the mortgagor a copy of the hardship declaration in English, and, to the extent practicable, the mortgagor's primary language, if other than English.

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

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

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

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

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

At the earliest possible opportunity, the court shall seek confirmation on the record or in writing that the mortgagor has received a copy of the hardship declaration and that the mortgagor has not returned the hardship declaration to the foreclosing party or an agent of the foreclosing party. If the court determines a mortgagor has not received a hardship declaration, then the court shall stay the proceeding for a reasonable period of time, which shall be no less than ~~ten~~ 30 business days or any longer period provided by law, to ensure the mortgagor received and fully considered whether to submit the hardship declaration.

§ 8. 1. In any action to foreclose a mortgage in which a judgment of sale has been issued prior to the effective date of this act but has not yet been executed as of the effective date of this act, including actions filed on or before March 7, 2020, the court shall stay the execution of the judgment at least until the court has held a status conference with the parties. In any action to foreclose a mortgage, if the mortgagor provides a hardship declaration to the foreclosing party,

1 the court, or an agent of the foreclosing party or the court, prior to
2 the execution of the judgment, the execution shall be stayed until at
3 least August 31, 2021. If such hardship declaration is provided to the
4 foreclosing party or agent of the foreclosing party, such foreclosing
5 party or agent shall promptly file it with the court, advising the court
6 in writing the index number of all relevant cases.

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

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

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

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

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

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

44 "OWNER DECLARATION OF COVID-19-RELATED HARDSHIP

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

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

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

54 3. Childcare responsibilities or responsibilities to care for an
55 elderly, disabled, or sick family member during the COVID-19 pandemic
56 have negatively affected my ability or the ability of someone in my

1 household to obtain meaningful employment or earn income or increased my
2 necessary out-of-pocket expenses.

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

6 5. Other circumstances related to the COVID-19 pandemic have negative-
7 ly affected my ability to obtain meaningful employment or earn income or
8 have significantly reduced my household income or significantly
9 increased my expenses.

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

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

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

22 Signed:

23 Printed Name:

24 Date Signed:

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

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

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

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

54 2. Hardship declaration. For purposes of this act, "hardship declara-
55 tion" shall mean the following statement, or a substantially equivalent
56 statement in the owner or mortgagor's primary language, in 14-point

1 type, whether in physical or electronic written form, and the department
2 of financial services shall publish a copy of the hardship declaration
3 on its website:

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

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

14 OWNER/MORTGAGOR DECLARATION OF COVID-19-RELATED HARDSHIP

15 I am the OWNER/MORTGAGOR of the property at (address of dwelling
16 unit). Including my primary residence, I own, whether directly or indi-
17 rectly, [~~ten~~ fifty] or fewer residential dwelling units. I am experi-
18 encing financial hardship, and I am unable to pay my mortgage in full
19 because of one or more of the following:

- 20 1. Significant loss of household income during the COVID-19 pandemic.
- 21 2. Increase in necessary out-of-pocket expenses related to performing
22 essential work or related to health impacts during the COVID-19 pandem-
23 ic.
- 24 3. Childcare responsibilities or responsibilities to care for an
25 elderly, disabled, or sick family member during the COVID-19 pandemic
26 have negatively affected my ability or the ability of someone in my
27 household to obtain meaningful employment or earn income or increased my
28 necessary out-of-pocket expenses.
- 29 4. Moving expenses and difficulty I have securing alternative housing
30 make it a hardship for me to relocate to another residence during the
31 COVID-19 pandemic.
- 32 5. Other circumstances related to the COVID-19 pandemic have negative-
33 ly affected my ability to obtain meaningful employment or earn income or
34 have significantly reduced my household income or significantly
35 increased my expenses.
- 36 6. One or more of my tenants has defaulted on a significant amount of
37 their rent payments since March 1, 2020.

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

44 Signed:

45 Printed Name:

46 Date Signed:

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

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

54 13. "Municipal emergency rental assistance program" shall mean a
55 program providing rental assistance, utility assistance, or both using
56 federal emergency rental assistance program funds, administered by a

municipal corporation that has not chosen to participate in the statewide program pursuant to subdivision three of section three of this act.

§ 6. Subdivision 3 of section 3 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:

3. The commissioner shall develop and promulgate a form outlining the obligations of each municipal corporation that chooses to participate in the statewide program. Those municipal corporations who choose to participate shall remit such form to the office of temporary and disability assistance within 10 business days from the date of issuance. At such time that the municipal corporation has affirmed their participation, upon receipt of the completed form by the office of temporary and disability assistance and the director of the budget, and the federal department of the treasury, the municipal corporation shall remit their allocation of funds to the state in such manner as determined by the division of the budget. Provided, after the office has acknowledged receipt of the completed form, residents of such municipality shall be entitled to benefit from funds made available for this purpose, subject to the continued availability of funds. Provided further, if a municipality that chooses not to participate has exhausted their allocation of funds, residents of such municipality shall be entitled to benefit from funds made available for this purpose under the statewide program in the same manner as residents of municipalities who choose to participate, subject to the continued availability of funds.

§ 7. Subparagraph (i) of paragraph (a) of subdivision 1 of section 5 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:

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

§ 8. Section 8 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:

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

1 behavior that substantially infringes on the use and enjoyment of other
2 tenants or occupants or causes a substantial safety hazard to others,
3 provided: (a) if an eviction proceeding is pending on the date a house-
4 hold applies for this program or a municipal emergency rental assistance
5 program, but the petitioner has not previously alleged that the tenant
6 persistently and unreasonably engaged in such behavior, the petitioner
7 shall be required to submit a new petition with such allegations and
8 comply with all notice and service requirements under article 7 of the
9 real property actions and proceedings law and this section; (b) if the
10 court has awarded a judgment against a respondent prior to the date a
11 household applies for this program or a municipal emergency rental
12 assistance program on the basis of objectionable or nuisance behavior,
13 the court shall hold a hearing to determine whether the tenant is
14 continuing to persist in engaging in unreasonable behavior that substan-
15 tially infringes on the use and enjoyment of other tenants or occupants
16 or causes a substantial safety hazard to others; (c) for the purposes of
17 this section, a mere allegation of the behavior by the petitioner or an
18 agent of the petitioner alleging such behavior shall not be sufficient
19 evidence to establish that the tenant has engaged in such behavior; (d)
20 if the petitioner fails to establish that the tenant persistently and
21 unreasonably engaged in such behavior and the tenant has applied for
22 this program or a municipal emergency rental assistance program, the
23 court shall stay or continue to stay any further proceedings unless or
24 until a determination of ineligibility is made; and (e) if the petition-
25 er establishes that the tenant persistently and unreasonably engaged in
26 such behavior, if the tenant has not applied for this program or a
27 municipal emergency rental assistance program, or if a determination of
28 ineligibility for this program or a municipal emergency rental assist-
29 ance program has been made, the proceeding may continue pursuant to
30 article 7 of the real property actions and proceedings law and this
31 section.

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

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

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

53 (d) Acceptance of payment for rent or rental arrears from this program
54 or a municipal emergency rental assistance program shall constitute
55 agreement by the recipient landlord or property owner: (i) that the
56 arrears covered by this payment are satisfied and will not be used as

1 the basis for a non-payment eviction; (ii) to waive any late fees due on
2 any rental arrears paid pursuant to this program or a municipal emergen-
3 cy rental assistance program; (iii) to not increase the monthly rent due
4 for the dwelling unit such that it shall not be greater than the amount
5 that was due at the time of application to ~~[the]~~ this program or a
6 municipal emergency rental assistance program for any and all months for
7 which rental assistance is received and for one year after the first
8 rental assistance payment is received unless otherwise required by 42
9 USC §1437a(a)(1); (iv) except as provided in paragraph (e) of this
10 subdivision, not to evict for reason of expired lease or holdover tenan-
11 cy any household on behalf of whom rental assistance is received for 12
12 months after the first rental assistance payment is received, unless the
13 dwelling unit that is the subject of the lease or rental agreement is
14 located in a building that contains 4 or fewer units, in which case the
15 landlord may decline to extend the lease or tenancy if the landlord
16 intends to immediately occupy the unit for the landlord's personal use
17 as a primary residence or the use of an immediate family member as a
18 primary residence; and (v) to notify the tenant of the protections
19 established under this subdivision.

20 (e) Nothing in paragraph (d) of this subdivision shall prevent
21 eviction proceedings from being commenced or shall cause eviction
22 proceedings to be stayed if the tenant is persistently and unreasonably
23 engaging in behavior that substantially infringes on the use and enjoy-
24 ment of other tenants or occupants or causes a substantial safety hazard
25 to others, provided: (i) if an eviction proceeding is pending on the
26 date a landlord or property owner accepts payment for rent or rental
27 arrears from this program or a municipal emergency rental assistance
28 program, but the petitioner has not previously alleged that the tenant
29 persistently and unreasonably engaged in such behavior, the petitioner
30 shall be required to submit a new petition with such allegations and
31 comply with all notice and service requirements under article 7 of the
32 real property actions and proceedings law and this paragraph; (ii) if
33 the court has awarded a judgment against a respondent prior to the date
34 a landlord or property owner accepts payment for rent or rental arrears
35 from this program or a municipal emergency rental assistance program on
36 the basis of objectionable or nuisance behavior, the court shall hold a
37 hearing to determine whether the tenant is continuing to persist in
38 engaging in unreasonable behavior that substantially infringes on the
39 use and enjoyment of other tenants or occupants or causes a substantial
40 safety hazard to others; (iii) for the purposes of this paragraph, a
41 mere allegation of the behavior by the petitioner or an agent of the
42 petitioner alleging such behavior shall not be sufficient evidence to
43 establish that the tenant has engaged in such behavior; (iv) if the
44 petitioner fails to establish that the tenant persistently and unreason-
45 ably engaged in such behavior and the landlord or property owner accepts
46 payment for rent or rental arrears from this program or a municipal
47 emergency rental assistance program, the court shall stay or continue to
48 stay any further proceedings until the 12 month period provided for in
49 paragraph (d) of this subdivision has elapsed; and (v) if the petitioner
50 establishes that the tenant persistently and unreasonably engaged in
51 such behavior, the proceeding may continue pursuant to article 7 of the
52 real property actions and proceedings law and this paragraph.

53 § 11. Sections 10 and 11 of section 1 of subpart A of part BB of chap-
54 ter 56 of the laws of 2021, establishing the "COVID-19 Emergency Rental
55 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.

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

2. Notwithstanding the provisions of subdivision one of this section, no collection of overpayments shall be conducted, regardless of when the overpayment accrued, 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.

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

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

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

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