

# NY Lawmakers Question Agency Head On Rent Relief Funding

By Emma Whitford

Law360 (August 10, 2021, 7:00 PM EDT) -- New York lawmakers on Tuesday grilled the agency head tasked with sending out more than \$2 billion in federal funding to cover pandemic rent and utility arrears, as a key deadline to obligate funds nears and with eviction protections poised to expire in weeks.

Members of the state Assembly questioned Commissioner Michael Hein of the Office of Temporary and Disability Assistance for more than two hours, following the July 19 news that his team had released just a trickle of funds since its June 1 Program launch. New York has been allocated one of the largest pots of relief funding in the country.

Hein argued Tuesday that his staff has been "playing catch-up" with other states, in part because New York legislated parameters for the rental assistance program within its cumbersome April budget process. He also claimed that increases in staffing have helped push out more than \$100 million to landlords as of Tuesday.

"We are confident that this upward trajectory will continue in the coming days, weeks and months," Hein said, urging tenants and landlords to keep applying.

But legislators remained skeptical.

"No one here can understand why it has taken so long to get any money out the door," said Assembly member Linda B. Rosenthal, a Democrat. "We have tenants and small landlords who are on the brink of nervous breakdowns, basically."

A major early criticism of the Emergency Rental Assistance Program, or ERAP, portal was a glitch that prevented tenants from pausing and resuming their applications. Tenants also complained that it was difficult to confirm if their application had been fully submitted.

"The save-and-resume function ... I'm proud to say it is back online," Hein said Tuesday. "And coming soon, there will be an enhanced status feature to provide a clearer picture of where an application is within the review process."

Lawmakers stressed that their staffers have spent hours helping dozens of constituents apply for the program in multiple languages, and that they have yet to receive any confirmation that funds have been allocated.

"We have processed 151 total applications with only 68 being told they are closed with no other updates. The portal only says 'in progress,'" said Assembly member Marcela Mitaynes, a Democrat representing parts of South Brooklyn.

Also on Tuesday, lawmakers and advocates said they were surprised to learn of two additional contractors who have been working with Hein's staff under multi-million-dollar contracts, in addition to Guidehouse Inc. of Illinois - Nan McKay & Associates and Deloitte.

"So we should actually have them here, too," Rosenthal said.

Scrutiny of the OTDA comes ahead of Aug. 31, when a law that has prevented most eviction cases from proceeding across the state is set to expire.

Hein testified that tenants who have submitted an ERAP application have "significant" protections against eviction. Yet multiple Democratic legislators said they believe the law should be extended.

In a surprising twist, the hearing briefly devolved into shouts Tuesday as news broke that Gov. Andrew Cuomo had resigned from office amid a sexual harassment scandal.

"I obviously will be reaching out to the incoming governor to talk very specifically about this," Senator Brian Kavanagh, head of his body's housing committee, told Law360 minutes later.

A bill to push eviction protections through October, which Republican lawmakers and landlord advocates oppose, was introduced Friday.

Meanwhile, under federal law OTDA must obligate a certain amount of funds by Sept. 30 or risk losing a portion of the money to jurisdictions that are further along with their programs.

According to a spokesperson for the U.S. Treasury: Department, that threshold is 65% of the money sent to New York under Emergency Rental Assistance 1 - one of two allotments made to the state since late last year.

The threshold is \$780 million, according to Hein. In addition to the funds already distributed, he said, another \$460 million has been "preliminarily approved," including in instances where the landlord has not completed their portion of the application.

"We are on track to make sure we get that number," Hein said.

Following Hein's testimony Tuesday, Legal Aid Society of New York attorney Ellen Davidson said that when it comes to improvements to the application portal, she's inclined to wait and see.

"I'm glad save-and-resume is back," she told Law360. "I'd like to have a week of it working before I feel comfortable."

--Editing by Ellen Johnson.