



Alan Levine
President

Zachary W. Carter
Chairperson of the Board

Janet E. Sabel
Attorney-in-Chief
Chief Executive Officer

Aдриene L. Holder
Attorney-in-Charge
Civil Practice

Judith Goldiner
Attorney-in-Charge
Civil Law Reform Unit

TESTIMONY OF THE LEGAL AID SOCIETY

Joint Legislative Public Hearing on 2022-2023 Executive Budget Proposal:
Human Services

February 2, 2022

Thank you Majority Leader Stewart-Cousins, Chair Persaud, Speaker Carl Heastie, Chair Rosenthal, the New York State Senate Finance Committee and the New York State Assembly Ways and Means Committee for holding this very important hearing. We welcome the opportunity to submit testimony on behalf of The Legal Aid Society concerning fiscal priorities for the coming year in the area of human services. We are eager to work with the Committees to ensure that New Yorkers across the State have access to the support they need both to overcome the dual economic and public health crises we have been facing due to the COVID-19 pandemic and to address the long-standing racial inequities laid bare by the ongoing crisis.

While we welcome Governor Hochul's stated commitment to addressing poverty and homelessness in New York, and that the Governor's proposed 2022-23 Budget includes some long-sought after reforms that will help our clients, there are many crucial measures that remain

missing. New Yorkers now look to the Legislature to ensure that these needs are addressed. We urge the Legislature to effectuate the changes that are the subject of this testimony.

The Legal Aid Society

The Legal Aid Society (LAS) is the nation's oldest and largest not-for-profit legal services organization. LAS provides comprehensive legal services in all five boroughs of New York City for people who cannot afford to pay for private counsel. Since 1876, LAS has advocated for low-income families and individuals and has fought for legal reform in City, State, and Federal Courts across a variety of civil, criminal and juvenile rights matters. LAS takes on 300,000 cases annually, including thousands of cases in which we fight for the rights of tenants in regulated and unregulated apartments across the city. LAS also takes on law reform and appellate cases, the results of which benefit more than 1.7 million low-income New Yorkers; the landmark rulings in many of these cases have a state-wide and national impact.

New York City has been severely impacted by the COVID-19 pandemic, facing high rates of infection, mortality, and unemployment. The disproportionate impact of COVID-19 on LAS's client communities is well-documented. COVID-19 has exposed the long-standing racial and social inequities that have led to vulnerable populations bearing the brunt of this crisis. Throughout the crisis, Black and Latinx New Yorkers have died of COVID-19 at twice the rate of white people and have a hospitalization rate that is four times that of white people.¹ The CDC and others have attributed those rates to lack of access to health care and exposure to the virus related to occupation -- including frontline, essential, and critical infrastructure workers. “[A]s more data becomes available, one thing is clear: COVID-19 has only magnified the systemic

¹ Centers for Disease Control and Prevention, COVID-19 Hospitalization and Death by Race/Ethnicity, *available at* <https://www.cdc.gov/coronavirus/2019-ncov/covid-data/investigations-discovery/hospitalization-death-by-race-ethnicity.html> (Nov. 30, 2020).

inequalities that persist in the United States. And nonwhite Americans, especially African Americans, have been hit hard on nearly every front.”²

In January 2020, New York City’s unemployment rate was 3.5 percent. In December 2021 it was more than double that at 8.8 percent.³ Hundreds of thousands of people have rent arrears and as of October over 1 million New Yorkers were at least 60 days behind on utility payments. With moratoriums that prevented eviction and utility shut-offs lapsed, low-income New Yorkers are in a heightened state of insecurity, facing the imminent risk of eviction and homelessness – and attendant increased risk of COVID transmission – without needed assistance. The Legislature’s role in assuring that the human services needs of New Yorkers are addressed is as critical as it has ever been.

Recommendations of The Legal Aid Society

I. Adopt Critical Public Benefits and Housing Supports Needed to Prevent and Address Homelessness and Reduce Poverty

New York was not ready for the eviction moratorium to end last month. Hundreds of thousands of families have unpaid COVID-related rent arrears, and even those who are able to satisfy their arrears face unaffordable rents and a lack of available affordable housing going forward. We call on the state to utilize Federal COVID- relief funding to address these crises by investing in real long-term solutions to prevent eviction and homelessness for so many tenants. We call on the Legislature to pass good cause eviction legislation (A.5573/S.1603); and the

² Harmeet Kaur, *The coronavirus pandemic is hitting black and brown Americans especially hard on all fronts*, CNN (May 8, 2020), <https://www.cnn.com/2020/05/08/us/coronavirus-pandemic-race-impact-trnd/index.html>.

³ See <https://dol.ny.gov/labor-statistics-new-york-city-region>

Housing Access Voucher Program legislation (HAVP) (S.2804B/A.3701B), and take the following steps in the realm of social services:

- A. Make Rent Arrears grants to prevent evictions and utility arrears grants to avert shutoffs available on the same terms as the federally-funded Emergency Rental Assistance Program (ERAP) by suspending repayment obligations during the pandemic.**

Even if the federal government delivers an infusion of additional federal Emergency Rental Assistance Program (ERAP) funds for New York, the ERAP program may not be able to cover all households in need. In the meantime, eligible households should be able to obtain rent-arrears grants from their local departments of social services in lieu of access to ERAP funds. But unlike ERAP, rental arrears payments (known as “One-Shot Deals”) and utility arrears payments are subject to certain repayment obligations. *See* NY Soc. Serv. L. § 131-w and § 131-s. This repayment requirement makes no sense during the pendency of the public health and economic crises due to COVID-19, as families struggle to put food on the table and are not assured stable employment even when the crisis is fully over. Repayment of rent arrears grants and utility arrears grants required under the Social Services Law should be suspended during the duration of the crisis. The Legislature should immediately help place such households on the same stable financial footing as ERAP grantees by requiring OTDA to direct local districts (during the public health emergency) to issue rent arrears grants and utility arrears grants *without* requiring repayment. Chair Rosenthal’s bill A.7408A (same as S.6845 Kavanagh) would suspend repayment of rent arrears grants. The Legislature should pass this legislation as soon as possible, and also introduce legislation to suspend repayment of utility arrears.

B. Immigrants and our other clients who currently lack access to housing assistance in New York City need the Legislature to Amend the Governor’s Restrictions on the City’s use of the new Rent Assistance Program.

New York City needs *more* funding to prevent and end homelessness for its residents, but the Governor’s proposed budget contains a restriction on City spending of the \$100 million Rent Assistance Program that would result in *less* assistance for our clients if the Legislature does not intervene.

The Governor’s proposed budget says that the City needs to use its share of the FY23 Rent Assistance Program appropriation to cover increases in FHEPS assistance that were effectuated when Governor Hochul signing a law authorizing those increases last December. While the change in law was needed urgently, the FHEPS program is designed to cover the shortfall between what the *State* offers as Cash Assistance shelter allowance and the amount needed to keep families in their homes and out of shelters.

The Governor wants the City to pay for the State obligation at the expense of using its Rent Assistance Program funds for households that do not have access to FHEPS, which include immigrants, adult only households, people who are elderly, and people with disabilities. This is simply not fair to our clients who desperately need the assistance of the Rent Assistance Program funds to avoid and end homelessness.

Accordingly, we ask the Legislature to amend the limitation on Governor Hochul’s FY23 \$100 million appropriation for the Rent Supplement Program to eliminate Governor Hochul’s restrictions on how New York City spends its share of the FY23 \$100 million.⁴ Unless amended, the existing language explicitly prevents New York City from spending the RSP funds on immigrants and other populations that lack access to FHEPS.

⁴ See DEPARTMENT OF FAMILY ASSISTANCE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE AID TO LOCALITIES 2022-23, at 474-475.

Much like our support for the Housing Stability Support (HSS) legislation that appears to have resulted in the Rent Assistance Fund which shares many of its features, we applaud the RAS appropriation. Especially if the Legislature fails to enact the Housing Access Voucher Program and the increase in the Cash Assistance shelter allowance, our clients need rental assistance subsidies that fill in existing gaps. FHEPS is only available to households with children who are eligible for Cash Assistance. Households without children, recipients of Social Security for people with disabilities and the elderly who are not eligible for Cash Assistance, and immigrants who are not eligible for Cash Assistance need assistance to address homelessness. RAS funds do just that. New York City needs to be able to maximize this new source of funding to meet these unmet needs, not pay the State's bill on the FHEPS program.

C. Enhance Housing Security and Treat Low-Income New Yorkers with dignity by adopting long overdue increases to the Cash Assistance shelter allowance and non-shelter allowance grant for basic needs.

Even with access to arrears, whether through ERAP or one-shots, New Yorkers need the ability to pay their rent going forward. Cash Assistance administered by OTDA is New York's basic safety net program, but because of years of neglect by the State's leadership, the program is not meeting the basic needs of many New Yorkers and all but ensuring homelessness for many individuals and families. Nowhere in New York State does the full grant exceed 50 percent of the Federal Poverty Level. In most areas of the State, it does not exceed 40 percent. Permitting Cash Assistance grant levels to languish at such a low level amounts to New York State choosing to relegate its lowest income residents to what the Federal government defines as a state of "deep poverty." New York can and must do better. The Governor claims to want to address poverty and homelessness in her Executive Budget, but has failed to include the most obvious remedy: make

long overdue increases to various components of the Cash Assistance grant. We recommend the following:

- ***Pass Chair Rosenthal’s Bill A.8900, which would increase the maximum Cash Assistance shelter allowance to 100 percent of the HUD Fair Market Rent (FMR) and include in the final enacted budget.*** The Legal Aid Society thanks Chair Rosenthal for her leadership on addressing the problem of cash assistance shelter allowances that are not adequate to prevent homelessness. Under past administrations, OTDA has failed to keep up with the needs of low-income tenants and their landlords. The shelter allowance was last updated for households with children in 2003, and adult-only households in 1988. The amount designated for rent for a one adult household in New York City is still just \$215. It is nearly impossible to rent a room in New York City for this amount, let alone an apartment. By affording low-income New Yorkers a maximum shelter allowance set at the Fair Market Rent, Chair Rosenthal’s bill would immediately prevent evictions, ensure landlords get paid, and prevent the immense human and fiscal costs associated with homelessness. Because the bill requires the shelter allowance to keep pace with the HUD FMR, it would mean that low-income New Yorkers would have access to a meaningful form of relief when they need it into the future. The Legislature must pass A.8900 and include its provisions in the final Executive Budget.
- ***Pass Chair Rosenthal’s Bill A.9130, to increase the non-shelter cash assistance grant levels to keep pace with inflation.*** The Legal Aid Society thanks Chair Rosenthal for her leadership on addressing the non-shelter parts of the cash grant. These non-shelter allowance parts of the cash assistance grant – the “Food & Other,” Home Energy Supplement (HEA), and Supplemental Home Energy Supplement (SHEA) – are also inadequate. There was a modest increase to the Food & Other portion of the grant phased in ten-years ago, but it did not keep the grant apace with inflation. The HEA supplement has not been increased since it was introduced in 1981, and the SHEA has not been increased since 1986. Increasing these grants is not only a basic matter of economic survival and human dignity, it is essential to achieving housing stability. When households do not have enough money to meet their basic needs, they borrow from their rent money. Raising the non-shelter portion of the grant is also a matter of racial justice.⁵ We recommend that all non-shelter components of the grant be increased for inflation, and that the Legislature mandate that the grant keeps pace with inflation moving forward, by indexing future increases to the cost-of-living adjustments adopted by the Social Security Administration each year in connection with the benefits it administers.
- ***Make sure homeless New Yorkers are also able to meet their basic needs by adopting Chair Rosenthal’s Bill A.8061.*** Certain shelter residents are not eligible for

⁵ See, e.g., <https://www.cbpp.org/research/family-income-support/tanf-policies-reflect-racist-legacy-of-cash-assistance> (documenting racist origins and history of cash assistance programs, and how this translates into inadequate grant levels today).

cash assistance, but only a personal needs or special needs grant. These grants have not been increased since 1997. Chair Rosenthal’s bill, A.8061, would increase these grants, and enable shelter residents to afford basic needs like menstrual products, underwear, diapers, and laundry detergent, as well as nutrition needs not otherwise met by the shelter.

- ***Additional recommendations to combat and prevent homelessness.*** We respectfully urge the Legislature to adopt the recommendations of The Coalition for the Homeless, [not otherwise addressed in this testimony] submitted under separate cover by Shelly Nortz, Deputy Executive Director for Policy.

D. Adopt legislative fixes that will reform Cash Assistance to help more low wage workers and people with modest unearned income achieve economic stability.

For New York to foster an equitable recovery from the pandemic, certain public assistance income and resource rules must be reformed to ensure that no New Yorker is left behind – including low-wage workers who have served on the front lines to keep our State open during the pandemic, individuals without children, and multi-generation families – all struggling under the poverty line to survive. Governor Hochul included some of these reforms in her proposed Executive Budget. In some cases, Legal Aid encourages the Legislature to simply ensure that her proposals are included in the final budget. In other cases, LAS asks the Legislature to push for the more robust versions of reform that are included in Chair Rosenthal’s bill, A.9112. We recommend the following:

- ***Eliminate the 185 percent of the Standard of Need Rule to help low wage workers.*** Governor Hochul’s Budget calls for this action, which would repeal Social Services Law § 131-a (10) to eliminate the 185% of the “standard of need”⁶ test, which is a gross income cut off test. Under the current rules, public assistance recipients are not permitted to have more than 185 percent of the standard of need or benefit amount for their household. Because as described above, the standard of need/benefits level has not been increased in nearly ten years, since 2012, families, especially those who are working part-time right

⁶ The “standard of need” refers to the maximum level of Cash Assistance available to a particular family, based upon the total of the allowances set forth by family size in 18 N.Y.C.R.R. §§ 352.2 & 352.3.

now, are made ineligible for Cash Assistance despite having earnings under the federal poverty level. Accordingly, eliminating the 185 percent of the standard of need requirement is essential to help low-wage workers remain eligible for Cash Assistance when they need it most. The cost of this change is minimal because the public assistance grant is reduced for households with earned income and the stability that affected families will achieve will avoid even greater costs to the state in the long-run.

- ***Eliminate the 100 percent of the Federal Poverty Level Threshold Test.*** The Legislature should pass Chair Rosenthal’s bill A.9112 as an essential reform to provide economic stability for low-wage workers. Governor Hochul failed to include this essential reform in the proposed Budget, and the Legislature must make sure it is included in the final budget. The 100 percent of the FPL threshold means that families that have earned income that brings them up to the FPL have no access to even a reduced amount of Cash Assistance.⁷ This prevents families who are finding their footing in terms of economic security from accessing help from the Cash Assistance program well before they can afford to even pay their rent. As a replacement, LAS recommends using 200 percent of the Federal Poverty Level as a cut off for applicants, and upping the cut off for recipients to 80 percent of the relevant Area Median Income (AMI). These changes would ensure that workers are able to afford their rent before they get completely cut off from Cash Assistance.
- ***Reform Income Disregard Rules to make them fair for all New York families.*** Governor Hochul’s budget includes some long overdue reforms related to the earned income disregard rules applying to cash assistance in the proposed Executive Budget, which although welcome, do not go far enough. The Governor’s proposed budget includes provisions: (a) amending Social Services Law § 131-a (8)(a) to increase the automatic disregard from \$90 to \$150 for both applicants and recipients; (b) extending disregards to households without minor children, instead of limiting disregards to those households with minor children; and (c) sets the minimum statutory disregard to 50 percent which is *below* the current level of 55 percent. LAS recommends that the Legislature also pass Chair Rosenthal’s bill A.9112 which provides that *all* disregard rules apply to applicants as well as recipients, and will thus, enable more low-wage workers and workers with irregular hours to receive Cash Assistance. Allowing single individuals and adult-only households to disregard a portion of their earnings would support their ability to maintain employment and would help alleviate homelessness caused by insufficient income.
- ***Eliminate resource limits so families do not have to choose between losing even meager savings and short-term assistance.*** Governor Hochul’s budget includes some modest proposals to modify existing resource limits in Social Services Law § 131-n. However, these increases are meager: only increasing the resource limits for applicants for public assistance to \$2500 (from the current \$2000) or \$3750 if a household member is elderly or disabled (from the current \$3000) and allowing recipients of public assistance to accumulate up to \$10,000 before they lose public assistance eligibility. We urge the Legislature to pass Chair Rosenthal’s bill A.9112 and join a number of other states that have eliminated the asset test completely. For example, New York and 33 other states

⁷ See *Temporary Assistance Budgeting: 2020 Earned Income Disregard and Poverty Level Income Test*, <https://otda.ny.gov/policy/directives/2020/ADM/20-ADM-06.pdf>

have eliminated their SNAP asset tests completely. Eight states have eliminated their Cash Assistance asset tests completely: Alabama; Colorado; Hawaii, Illinois, Louisiana, Maryland, Ohio, and Virginia.⁸ An additional five states (California, Connecticut, the District of Columbia, Montana and Vermont), expressly exempt retirement accounts.⁹

New York should follow the lead of other states. Especially considering the depth and breadth of the current crisis, it makes no sense to require households to spend down meagre retirement savings and face longer term financial instability just so they can access the help provided by Cash Assistance in the short-term. Moreover, New York's rules increase the financial burden on such households by causing them to face steep tax penalties for early withdrawals. Finally, making these overdue changes will conserve the agencies' human resources by reducing a cycle of case closure, reapplication, and case closure that come with enforcing the asset rules. The Urban Institute found that eliminating asset tests leads to an increase in bank accounts, and to the amount of savings.¹⁰ Having a bank account helps families conduct basic financial transactions, save for emergencies, build credit history, and access, fair, affordable credit.¹¹

- ***Require Fair Treatment of a Child's Unearned Income.*** Social Services Law §§ 131a(8) and 131-c should be amended to enable families in which a child has unearned income – such as Social Security Survivor's or Disability Benefits – to maintain eligibility for Cash Assistance without counting the child's income toward the entire family's budget, which is unfair to the child and the family who is trying to make ends meet on inadequate levels of assistance. This change would especially help non-parent caregivers of children who have deceased parents or parents who are dealing with other urgent circumstances, such as incarceration or recovery from disabilities or substance abuse. Studies show that children placed in care with relatives fare much better emotionally and intellectually than children who live in foster care with strangers.¹² Governor Cuomo vetoed two versions of this bill. The bill language supported by the Legislature in the past is included in Chair Rosenthal's bill A.9112 and should be included in the Final enacted Budget.
- ***Eliminate the 45-day waiting period for Safety Net Assistance.*** Governor Hochul has included in her Executive Budget proposal amendments to Social Services Law §§ 158 and 153 that would eliminate the 45-day waiting period to receive assistance for applicants for Safety Net Assistance (SNA) (childless adults and families that have reached the 5-year TANF time limit). This is a welcome change that would increase parity among New

⁸ The Welfare Rules Databook: State TANF Policies as of July 2019, Table I.C.1. Asset Limits for Applicants, 79-80. Urban Institute, 2019, <https://wrd.urban.org/wrd/databook.cfm>

⁹ *Id.* at 185-87.

¹⁰ Caroline Ratcliffe, Signe-Mary McKernan, Laura Wheaton, Emma Kalish, Catherine Ruggles, Sara Armstrong, Christina Oberlin, *Asset Limits, SNAP Participation, and Financial Stability*, Urban Institute (June 2016), <https://www.urban.org/sites/default/files/2016/06/29/2000843-asset-limits-snap-participation-and-financial-stability.pdf>.

¹¹ Federal Deposit Insurance Corporation, *What is Economic Inclusion?* (2014), <http://www.economicinclusion.gov/whatis/>

¹² G. Wallace, E. Lee, *Diversion and Kinship Care: A Collaborative Approach Between Child Welfare Services and NYS's Kinship Navigator*, 16 *Journal of Family Social Work*, 418-419 (2013), http://www.nysnavigator.org/pg/professionals/documents/Wallace_Lee_2013_Diversion.pdf

York households who need Cash Assistance.

- ***Maximize income during economic recovery by suspending utility grant repayments and recoups of inadvertent overpayments of benefits.*** At this difficult time, when New Yorkers' household income and resources must be conserved, the Legislature should require OTDA to direct local districts to suspend the repayment obligation for emergency utility grant repayments under Social Services Law § 131-s until the COVID-19 crisis is over. Likewise, the local agencies should be directed not to recoup overpayments of benefits under Social Services Law § 106-b, instead of burdening grant recipients and the agencies from processing individual "undue hardship" reduction requests.

II. Help Avert a Utility Crisis

The state's utility shutoff moratorium that was in effect during the COVID crisis has expired. Many New York families are in arrears (1.3 million as of October 2021 were at least 60 days in arrears) and are now at risk of a shut off. We recommend that the Legislature enact legislation directing the following steps to deal with this crisis:

- Pass legislation to extend the utility shutoff moratorium during the course of the COVID-19 pandemic as provided in S. 7668 (Parker).
- Direct that during the COVID-19 pandemic OTDA require local social service districts to conduct outreach to utilities to identify all recipients with utility arrears and issue utility related grants to all recipients of cash assistance SSI and/or SSP who have utility arrears without requiring applications for such assistance and without requiring repayment of all such payments issued during the course of the COVID-19 pandemic. In addition, direct that utilities cooperate with such measures or be unable to proceed with shutoffs.
- Direct that OTDA review agency policies and adopt all federal options available to maximize the number of New Yorkers who can receive benefits under the federal HEAP program and the HEAP Regular Arrears Supplement program, including at a minimum, the following reforms: eliminating interview requirements unless mandated, and eliminating unnecessary immigration requirements.

III. Health – Increase Funding for the Managed Care Consumer Assistance Program (MCCAP)

The Legal Aid Society strongly supports the inclusion in the Executive Budget of \$1.767 million to provide level funding for the Managed Care Consumer Assistance Program

(MCCAP), and urges the Legislature to increase funding by \$1 million to expand the reach of this crucial program. MCCAP, administered by the New York State Office for the Aging (NYSOFA), provides individual assistance to elderly New Yorkers and individuals with disabilities, helping them access Medicare services, coordinate with Medicaid and other supplemental insurance, and reduce health care costs.

The Legal Aid Society and the other five organizations that comprise the MCCAP network also provide technical assistance and support to the statewide network of Health Insurance Information Counseling and Assistance Program (HIICAP) and assist with the high volume of calls received by the HIICAPs during Medicare's annual open enrollment period.

The COVID-19 pandemic has only intensified the need for MCCAP services. Policy changes intended to preserve Medicaid coverage during the pandemic have created confusion for some individuals as they transition into Medicare. We have helped avoid coverage gaps by swiftly assisting clients whose benefits were incorrectly discontinued during the emergency. In addition, we have helped numerous clients dually eligible for Medicare and Medicaid to preserve their benefits and services, including home care services, which are essential to allow elderly individuals and New Yorkers with disabilities to live safely at home while nursing homes and other institutional settings have been significant sources of COVID-19 infection. With the end of the federal Public Health Emergency likely to happen this year, MCCAP organizations will guide consumers through complicated transitions and help ensure that they do not lose coverage and access to care.

IV. Disability Advocacy Project: adopt the Governor’s Proposed \$1.5 Million increase in funding.

Governor Hochul’s proposed budget includes an increase in Disability Advocacy Project (DAP) funding of \$1.1 million, recognizing how crucial this work is to meet the basic needs of the most vulnerable New Yorkers and taking a welcome step toward addressing the historic underfunding of this program. We applaud this, and also urge the Legislature to include the same \$1.5 million it has in years past so that we can continue to meet the challenges of serving New Yorkers with disabilities especially in the time of COVID and its aftermath.

The Legal Aid Society’s Government Benefits and Disability Advocacy Project provides vital services to vulnerable New Yorkers to ensure they are able to receive the benefits to which they are entitled: maximizing their income and supporting their long-term wellbeing. 25% of adults in New York have a disability¹³ and New Yorkers with disabilities are more likely to be unemployed and living in poverty than individuals without disabilities. Our clients, the majority of whom are people of color, include those living in the poorest congressional district in the nation with over 50% of its South Bronx residents, for instance, paying more than half their income toward their rent. Approximately 34 percent of working-age adults with disabilities live in poverty in the City, more than twice the rate for New Yorkers without disabilities and significantly higher than the state or national average.

Representing claimants seeking benefits via the disability-based programs administered by Social Security Administration (SSA) – Supplemental Security Income (SSI) and Social Security Disability (SSD) Insurance – is critical in providing a source of income for many New York City residents and directly reduces the number of individuals forced to live in poverty.

¹³ See <https://www.cdc.gov/ncbddd/disabilityandhealth/impacts/new-york.html>

During the last fiscal year (July 1, 2020 – June 30, 2021), The Legal Aid Society represented 627 unique clients in their disability appeals – obtaining a total of \$ \$864,661 in retroactive awards and securing \$24,730 in monthly SSD benefits and \$26,076 in monthly SSI for our clients, and a return of \$145,026 to the State in repayment for interim assistance. As a result, the vast majority of these clients no longer needed to receive Cash Assistance benefits issued by the New York State Department of Social Services and were able to access greater economic stability in their lives. The application process for these vital benefits is cumbersome and opaque and results in a 65 percent denial rate for initial applications based on recent SSA data.

The COVID-19 pandemic has posed particular challenges for SSA claimants seeking benefits. During this period the closing of local field offices have resulted in a 30% drop in the number of applications filed and the lowest number of newly approved cases on record. This does not surprise us as many of our clients relied on their ability to walk in to a local office to file applications, to submit documents, to file appeals, and to ask basic questions about their cases. Our clients often lack the technology or sufficient knowledge to use it to navigate online and remote services. Therefore, in addition to the work we typically do for clients in these cases, The Legal Aid Society has stepped in and adapted its work to bridge the gap for claimants where they have been unable to do certain tasks unassisted: filing appeals for them, calling field office staff with them, submitting documents for them. Pandemic-related changes have also included hearings held by telephone and video instead of in person which has required us to find ways to ensure that our clients can participate meaningfully in the adjudication of their claims. In addition, SSA recognizes that many in our communities now suffer with long COVID symptoms which requires us to expand our areas of expertise in these cases. As always, however, our representation ensures that vulnerable New Yorkers without access to resources or alternative

sources of advocacy are able to access these vital programs – even more important during the COVID-19 pandemic as our communities continue to experience unprecedented financial strain. Accordingly, we urge the Legislature to adopt the Governor’s proposal to increase DAP funding by \$1.1 million, and also urge the Legislature to include the same \$1.5 million it has in years past so that we can continue to meet the challenges of serving New Yorkers with disabilities especially in the time of COVID and its aftermath.

V. Foreclosure Prevention: Protect Homeowners from Foreclosure During the COVID Pandemic: Increase Homeowner Protection Program (HOPP) to \$35 million

Foreclosure prevention continues to be a critical service we provide to low and moderate income New Yorkers. We therefore applaud Governor Hochul for including \$20 million in the executive budget for foreclosure prevention for the first time. However, as part of a state-wide network of 89 non-profit legal service providers and housing counseling agencies we urge the Legislature to increase funding for the Homeowner Protection Program (HOPP) by another \$15 million for a total of \$35 million for the next fiscal year, followed by 40 million for each of the succeeding two years. HOPP funding enables us to defend homeowners in foreclosure actions and redress abusive and fraudulent real estate and lending practices. HOPP funding is more critical than ever as delinquency rates have risen to over 10%, with more than 400,000 homeowners statewide at risk of losing their home. As moratoriums and forbearance programs have largely ended, New York could see its worst foreclosure crisis with a wave of new foreclosure filings. HOPP is a crucial part of the safety net for homeowners to avoid homelessness, stabilize communities and sustain New York’s economic well-being.

Conclusion

Thank you for the opportunity to submit this testimony today and for your leadership in helping New Yorkers get through the current crisis.

Respectfully Submitted,

Susan Welber, sewelber@legal-aid.org
Katie Kelleher, kkelleher@legal-aid.org
Belkys Garcia, bgarcia@legal-aid.org

The Legal Aid Society
Civil Practice
199 Water Street
New York, NY 10038