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## \*\*\*FOR IMMEDIATE RELEASE\*\*\*

## Lack of Funding Continues to Jeopardize Right to Counsel Providers' Ability to Represent Low-Income Tenants in NYC Housing Court

Legal Aid, LSNYC, NYLAG and Others Call for \$351 Million in Increased Funding in the City's FY24 Budget to Save New York's Landmark Right to Counsel Program

Since Last January, 10,000+ Low-Income Tenants Have Proceeded Without an Attorney in NYC Housing Court as Eviction Filings Continue to Skyrocket

(NEW YORK, NY) — The Legal Aid Society, Legal Services NYC (LSNYC), New York Legal Assistance Group (NYLAG) and others called on the City for \$351 million in increased funding in the Fiscal Year 2024 budget to ensure that low-income tenants facing eviction have access to an attorney in New York City Housing Court, as intended by New York City's landmark Right to Counsel (RTC) law.

In March 2022, for the first time ever, LSNYC announced that it was unable to staff Housing Court intake in Queens for the remainder of the month due to increasing demand and insufficient capacity. Legal Aid and NYLAG made a similar announcement last April due to the same issues.

Since then, RTC providers have been forced to <u>decline over 10,000 housing court cases</u>, and without increased funding in the City's Fiscal Year 2024 budget to retain and hire staff, this trend will continue into the indefinite future.

Since the eviction moratorium lifted last January, eviction filings have soared in New York City. According to the <u>Cornell ILR Eviction Filings Dashboard</u>, in 2022 there were 39,699 eviction filings in The Bronx; 30,480 filings in Brooklyn; 20,043 in Queens; 19,549 in Manhattan; and 2,503 in Staten Island.

The number of eviction filings increased significantly in every borough from 2021, underscoring the need for RTC providers to be fully funded in order to meet the rising demand.

Even if fully staffed, providers are only contracted to represent roughly a third of all tenants facing eviction - approximately 32,000 of the 120,000 eviction cases expected to be filed this year.

Currently, Legal Aid has 35 RTC attorney vacancies and an attrition rate of 30 percent due to insufficient compensation and extremely high caseloads, coupled with rising rents, student loan debt and New York's exorbitant cost of living. LSNYC has 10 RTC attorney vacancies and, at last count, an attrition rate of 39 percent. NYLAG has five RTC attorney vacancies with an attrition rate of 22 percent.

For the City's Fiscal budget, RTC providers' request of \$461 million, which includes the existing \$110 million in current RTC contracts and \$351 million in additional funding, would:

- increase providers' capacity to represent all eligible people who come through New York City Housing Court;
- fund salary increases for staff to address unprecedented attrition and to attract prospective hires;
- bridge the funding shortfall that undercuts providers' ability to administer essential civil legal services work.

In addition to funding, the City must overhaul its fraught contracting process which hinders RTC providers and many other non-profits who contract with the City - an issue that has been widely reported and <u>acknowledged</u> by Mayor Eric Adams and Comptroller Brad Lander as in need of a complete overhaul.

Delays in contract registration, the point where non-profits start to receive money from the City, create major cash flow challenges that make it extraordinarily difficult to make payroll, purchase critical services or pay vendors on time, which results in late fees and higher vendor prices and disqualifies organizations from lines of credit. Providers are often forced to take out loans to compensate for the late payments from the City. As City delays persist, these loans accumulate interest fees that squeeze organizations into a financial bind to make payments.

The City must establish new protocols that allow payment in advance of registration for constitutionally and legally mandated contracts and increase the contract advance to more than 25 percent as necessary, rather than forcing Legal Aid, LSYNC, NYLAG and other RTC providers to front these costs with resources not available.

"Rents across New York City continue to rise, and eviction filings are nearing pre-pandemic levels, displacing families from their homes and communities," said **Adriene Holder**, **Chief Attorney of the Civil Practice at The Legal Aid Society.** "Now more than ever, low-income New Yorkers mired in eviction need access to an attorney, and we call on both ends of City Hall to save Right to Counsel by fully funding our needs."

"If NYC is serious about addressing the affordable housing crisis, City leadership must step up and fully fund the Right to Counsel Program so that low-income tenants stand a fighting chance at staying in their homes," said **Rosalind Black, the Citywide Director of Housing at Legal Services NYC**. "Without the necessary funding, this once robust, highly-effective eviction defense program will continue to falter, driving away already overburdened housing attorneys and leaving tenants and their families to fend for themselves in court, ultimately adding to an already dire housing crisis."

"The Right to Counsel program is a proven lifeline for New York City families facing eviction, but it is rendered meaningless without adequate funding and a dysfunctional contracting process," said **Lisa Rivera**, **president and CEO of New York Legal Assistance Group (NYLAG)**. "Every week, hundreds of New Yorkers are at risk of losing their homes because of Right to Counsel's unfulfilled promise. The City has the power to change this by fully funding the Right to Counsel program so that all tenants receive the legal representation to which they are entitled. Providers must be fully funded without contracting and payment delays so that we can recruit and retain advocates to perform this vital work."

"Right now, Right to Counsel is in crisis. Thousands of tenants are facing eviction alone who shouldn't be. We know Right to Counsel works. In NYC and across the country it's proven to keep people in their homes, change landlord behavior, preserve affordable housing, and win safe living conditions. Across the city tenants have been taking action to Defend RTC and calling on the courts to slow down cases and uphold this important law," said **Randy Dillard from the Right to Counsel NYC Coalition**. "The City has an important role to play in defending RTC - it can and must increase funds to ensure that all tenants get the zealous defense they deserve. We stand with the legal services organizations in their call for \$351 million to be added to the budget for RTC this year. Increasing funds to meet the demand and need for RTC is a moral imperative and it will save the city money. We can and must do this now."

"Budgets reflect priorities. City Council has recognized the need for counsel in eviction proceedings, but they must now provide funding to make it a reality. It is indisputable that representation for tenants facing eviction prevents the needless destabilization that further strains our shelter system and increases rates of incarceration. If New York City is serious about protecting and preserving our communities, our leaders must prioritize a meaningful right to counsel in Housing Court," said **Austen Refuerzo**, **Managing Attorney of the Civil Defense Practice at Neighborhood Defender Service of Harlem.** 

"Right to Counsel is incredibly effective at keeping New Yorkers in their homes, so by refusing to fully fund the program, the City is essentially facilitating the evictions of the most vulnerable tenants," said **Manhattan Borough President Mark Levine.** "It's meaningless for New York to boast that we have the first RTC law in the nation if the City isn't giving legal service organizations adequate resources to represent every tenant in need."

"This City has a responsibility to uphold our Right to Counsel, and \$351 million is the price tag. When it comes to tenants' rights, there can be no negotiation," said **Brooklyn Borough President Antonio Reynoso.** "The destabilizing force of eviction is enough to destroy an entire neighborhood, and at a time when New Yorkers are facing unconscionably high costs of living, we cannot forego a single tool in our effort to keep our people in safe, stable, and dignified homes. I applaud The Legal Aid Society, LSNYC, NYLAG, and the many advocates who have come together in defense of a fair shot in the courtroom."

"Legal service providers are a linchpin in New York City's legal system but are currently stretched to the breaking point," said **City Council Majority Leader Keith Powers.** "Residents rely on public defenders, but providers are being forced to decline thousands of cases due to severe capacity constraints. It is absolutely essential that our legal service providers receive the funding they need to deliver the quality legal representation that every New Yorker has a right to."

"The state is pushing eviction cases through housing court faster than civil legal services providers can take them on. At this very moment, over 17,000 tenants are standing alone, unrepresented in housing court. This is a flagrant violation of our Right to Counsel law, which guarantees universal access to free legal services for New Yorkers facing eviction," said **Council Member Shaun Abreu.** "As someone who was evicted as a child and made a career as a tenant rights attorney, I know that having a lawyer is the difference between going to sleep in your own bed at night or finding yourself in the streets. Right to Counsel is one of the most effective tools in our arsenal to prevent evictions, homelessness, and displacement. Right to Counsel is dramatically more cost effective than continuing to bloat our shelter system, and a responsible city budget will fully fund this critical initiative."

"As evictions have soared over the past two years, it has been critical that every tenant has representation in housing court. However, demand has far outpaced supply, and many tenants are facing evictions without adequate legal assistance," said **Council Member Shahana Hanif.** "I am proud to stand with the Legal Aid Society and their call for a budget that puts the needs of tenants front and center. The Right to Counsel funding demands are not simply another budget line item; they're an investment in our City's ability to ensure every tenant has the effective legal representation they are legally guaranteed in housing court."

"We have an obligation to provide legal services for low income tenants in Housing Court. Right to Counsel is a successful program that is eroding due to the post-Covid surge in eviction cases. We need more money for Right to Counsel, and we have to ensure that cases in Housing Court do not move forward unless tenants have an attorney," said **Council Member Gale Brewer.** 

"When constituents seek help from my office, eviction is one of the main reasons. The fact is, if we keep our current level of funding for housing court counsel, we are violating their basic rights. That would be intolerable. It comes down to a simple question: is the purpose of our housing system guaranteeing New Yorkers safe, comfortable, stable communities, or is it maximizing profits for corporate landlords and real estate developers? If we believe in public safety, racial justice, economic security, public health, and a sustainable environment, our answer must be the first, and we must commit to the \$351 Million allocation necessary for us to respect the rights of District 22 constituents and New Yorkers across the five boroughs," said **Council Member Tiffany Caban.** 

"Access to legal representation is not a privilege, it is a right enshrined in our laws. The Right to Counsel program in New York City was created to level the playing field and ensure that low-income tenants facing eviction have access to the legal help they need to defend themselves and their homes. However, with skyrocketing eviction filings and insufficient funding, this program is at risk of failing the very people it was meant to serve. We cannot let this happen. We must prioritize the funding of this program in the Fiscal Year 2024 budget and overhaul the fraught contract process - we can't afford to not keep people in their homes," said **Council Member Jennifer Gutiérrez.** 

"Legal services providers are on the front lines of defending our constituents against evictions, unsafe housing conditions and more. It's only right that our City fully fund the commitment we have made to Right to Counsel, ensuring that eligible tenants have access to attorneys that are compensated appropriately for the essential work they do on behalf of our City," said **Council Member Alexa Avilés.** 

## **Background**

During the pandemic, in response to the urgent need, the de Blasio Administration opened up RTC citywide, including those households earning more than 200 percent of the federal poverty line to keep New Yorkers safely housed.

RTC providers met the challenge, representing all tenants who needed help in response to the extraordinary circumstances created by the COVID-19 pandemic, even with constant changes in the law.

Prior to RTC's implementation, only one percent of tenants were represented by an attorney in eviction cases, which contributed to a massive power imbalance between landlords and tenants.

New York's Right To Counsel law has been highly effective at keeping tenants in their homes. Over the last four years, <u>84 percent of tenants</u> who received representation under Right To Counsel won their cases and stayed in their homes.

Moreover, the Community Service Society released a recent <u>report</u> revealing that, since implementation of RTC in 2017, the program has led to a decline in eviction filings by about 30 percent, keeping families housed and protected against homelessness.

When tenants do not have an attorney, they often do not know their rights and defenses or how to assert them, resulting in otherwise preventable evictions, which are destabilizing and traumatic for vulnerable families with long-term collateral consequences that affect employment, education, and health outcomes as well.

However, when a tenant has counsel, all stakeholders benefit. Housing is a fundamental human right and having tenants, who are usually people of color, proceed through a judicial process where their homes could be taken away from them without the assistance of an attorney is inherently unjust.

Often, attorneys are able to identify and secure resources for the tenant to address rental arrears; proceedings are more efficient for the court when attorneys for the parties are involved; and there is a return on investment for the City when tenants can remain in their homes and do not have to contribute to the City's already burgeoning homeless shelter population.

New York City is in the midst of the worst affordability crises and the Right to Counsel is an invaluable tool in addressing this crisis head on. Fully funding this program will not only prevent evictions but in many instances serve as a lifeline for New York City families.

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