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Legal Aid Secures Landmark Settlement Ensuring Eligible Low-Income New Yorkers' Access to Critical Rental Vouchers

Settlement Will Establish New Review Unit Under DSS, New Procedures in the Administration of FHEPS and CityFHEPS Rent Subsidies, and Provide Relief to Thousands of Families at Risk of Eviction and Homelessness

(NEW YORK, NY) – The Legal Aid Society and Hughes Hubbard & Reed LLP [secured](#) a landmark [settlement](#) in *Toliver v. City of New York*, litigation brought against the New York City Department of Social Services (DSS) that challenged the illegal termination of eligible low-income New Yorkers' rental vouchers under the Family Homelessness and Eviction Prevention Supplement (FHEPS) and the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) programs.

The settlement with DSS – the City agency responsible for the administration of the City-funded CityFHEPS rent supplement program and the State-funded FHEPS vouchers – will establish a FHEPS Review Unit to review cases where FHEPS terminations occurred, and new procedures and protocols to prevent erroneous terminations and simplify modifications of the rental subsidies. DSS will be required to restore rental vouchers to all recipients whose benefits were previously illegally terminated.

The settlement also requires DSS to provide monthly reports with compliance data; post instructions and FAQs on their online portal and in-person processing centers on how to request a renewal or modification for open cases; implement Policy Directive #23-08-OPE, which establishes new procedures for processing FHEPS applications, restorations, and modifications; and develop new training materials for all NYC HRA staff by March 15, 2024.

Additionally, CityFHEPS renewals for certain eligible recipients will be automatically renewed. DSS will also complete a one-time mailing to all households that failed to complete a renewal in 2021, 2022 or 2023 with instructions on how to submit a renewal and will process those renewals within 90 days of receipt.

“Thousands of families across the City rely on FHEPS and CityFHEPS to keep their families stably housed, and this settlement will ensure that all eligible families continue to receive these critical rental vouchers so they can remain safe from the risk of eviction and homelessness,” said **Emily Lundgren, Staff Attorney in the Civil Law Reform Unit at The Legal Aid Society**. “We look forward to working with the City to safeguard the rights of our clients and all New Yorkers who qualify for rental assistance to have consistent access to these life-sustaining programs.”

“The settlement is the result of months of negotiation with the City,” said **Fara Tabatabai, a partner at Hughes Hubbard & Reed**. “The parties worked in good faith to design a robust set of safeguards to prevent families that rely on FHEPS and CityFHEPS having their benefits taken away arbitrarily. The new policies and procedures established by the settlement are a crucial step forward in ensuring that families are able to access rent subsidies for as long as they need them.”

FHEPS and CityFHEPS are critical rent supplements for families with children who are experiencing homelessness or are facing eviction, including those who have lost their housing or ability to pay for housing due to domestic violence, or because of health or safety issues. The subsidies were developed to prevent at-risk families, and particularly minor children, from entering the shelter system and to enable them to more rapidly exit shelter. CityFHEPS is targeted at other households in or at risk of entering City shelters.

The lawsuit was filed in April 2023 in New York State Supreme Court on behalf of eight individual plaintiffs representing all low-income households in New York City who receive rental subsidies under FHEPS or CityFHEPS programs.

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