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Contact:

Audrey Martin, The Legal Aid Society, amartin@legal-aid.org

Sara Rodriguez, New York Legal Assistance Group, srodriguez@nylag.org

*****FOR IMMEDIATE RELEASE*****

NYC's Leading Legal Service Providers Urge City to Correct Contract Payment Issues that Jeopardize Critical Housing and Immigration Representation for New Yorkers in Need

City's Fraught Contracting Process is Pushing Non-Profits to the Brink of Collapse

(NEW YORK, NY) - The Legal Aid Society, Brooklyn Legal Services Corporation A, NMIC, the New York Legal Assistance Group (NYLAG), Legal Services NYC, CAMBA Legal Services, Brooklyn Defender Services (BDS), the Human Services Council, Neighborhood Defender Service of Harlem, The Bronx Defenders, TakeRoot Justice, Mobilization for Justice, the Urban Justice Center, and BronxWorks sent a [letter](#) to Mayor Eric Adams urging him [to immediately correct](#) the payment issues and delays currently threatening non-profits' ability to provide critical housing and immigration services to hundreds of thousands of New Yorkers in need. The need for a swift and complete resolution to this long-standing contracting issue is more urgent than ever.

The letter states in part:

The undersigned organizations represent the largest coalition of non-profit legal services providers in the city. Collectively, we provide critical housing and immigration services to thousands of families each year. We are a lifeline to New Yorkers in need. However, mounting payment issues are making it impossible for us to operate and provide essential services to the New Yorkers who need us most. The City must act by immediately allocating additional advances on housing and immigration contracts and addressing other payment issues that threaten our ability to operate.

Legal service providers are currently facing major delays in payments on registered contracts with the Human Resources Administration (HRA), the department in charge of the majority of the City's social services programs. These include contracts for the anti-eviction Right to Counsel (RTC) program, Anti-Harassment Tenant Protection (AHTP), and the Immigrant Opportunities Initiative (IOI) — critical programs that help keep New Yorkers housed, as well as protect the rights of migrants and new arrivals.

Despite these contracts being registered on-time for Fiscal Year 2025, none of the non-profit legal service providers have been able to submit invoices to HRA for payment because the agency has not yet approved their

Fiscal Year 2025 budgets, meaning all providers are currently in month five of not being able to invoice and receive any payments outside of a previous one-time advance payment.

These payment delays threaten the ability of non-profits, particularly smaller organizations, to maintain basic operations — including making payroll — resulting in fewer New Yorkers having access to the critical legal services they need and deserve.

The letter also urges the City to halt the implementation of a plan to pay non-profits only 90 percent of their invoices on the anti-eviction Right to Counsel contracts, whether they are meeting performance targets or not. This is a punitive, counter-productive approach to implement new performance-based payment provisions in FY25 housing contracts. This payment model is typically used with for-profit organizations that contract with the City; however, it will be detrimental to non-profits who only receive payment for the actual costs they incur. Essentially, the City will be holding back vital funding to providers, exacerbating already crushing cash flow challenges.

“Ensuring adequate and timely funding for the organizations that provide critical housing and immigration services to New Yorkers in need is vitally important, now more than ever,” said **Twyla Carter, CEO and Attorney-In-Chief at The Legal Aid Society**. “There are thousands of individuals and families across New York City who rely on our organizations for a litany of essential services, yet our funding continues to be fraught with issues and delays that impede our ability to deliver for those who need it most. The City must take immediate action to ensure that non-profits can continue to operate at full capacity, providing for all New Yorkers who need them.”

“New York City depends on legal service providers like us to provide essential services to New Yorkers in need,” said **Shervon M. Small, Executive Director of Legal Services NYC**. “Our dedicated staff help keep families safe and stable, stave off evictions, and fight to maintain what affordable housing there is. Amid one of the worst housing crises in our history, there's truly never been a more urgent time for NYC to fix its beleaguered contracting issues once and for all. Vulnerable New Yorkers, and the providers who support them, cannot afford to wait.”

“The City contracts with nonprofit service providers precisely because our partnership allows us to meet more New Yorkers’ needs at the capacity and with the expertise required to be effective,” said **Lisa Rivera, President & CEO of the New York Legal Assistance Group (NYLAG)**. “If this administration doesn’t immediately pay us for the work we’ve done and solve contracting issues going forward, they will collapse our organizations, ultimately leaving hundreds of thousands of New Yorkers without critical legal and human services that keep a roof over their heads or ensure access to benefits. New York City is not prepared for what that will look like across the five boroughs, as the urgent needs among communities only grow.”

“Millions of New Yorkers rely on human services and legal services, and the city counts on those providers to create a network of critical services. Unfortunately delays in payment leave hundreds of organizations scrambling to pay bills while waiting for the City to pay them,” said **Michelle Jackson, Executive Director of the Human Services Council**. “HSC joins with legal services organizations to highlight the need to pay providers fully and on time. At this moment, we need legal services organizations focused on fighting for New Yorkers, not scrambling to make up for shortfalls caused by delayed payments and shifting funding requirements.”

“The City’s delay in paying for essential legal services is pushing providers to the brink and placing New Yorkers at serious risk - especially in the Bronx where the need for housing stability and immigrant protections is critical,” said **Juval O. Scott, Executive Director of The Bronx Defenders**. “The Bronx Defenders and our fellow legal service organizations stand as a lifeline for those facing these urgent challenges. Failing to fund these contracts on time undermines the safety and dignity of the very people New York is duty-bound to protect. The City must step up now to ensure we can continue delivering justice to those who need it most.”

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