



# Homes and Community Renewal

KATHY HOCHUL  
Governor

RUTHANNE VISNAUSKAS  
Commissioner/CEO

## OFFICE OF INTEGRATED HOUSING MANAGEMENT MEMORANDUM #2022- C-3

**To:** All Housing Authority Chairpersons and Executive Directors  
All Housing Company Owners, Managing Agents and Site Managers

**From:** Cathy Sparks, Vice President/Director  
Office of Integrated Housing Management

**Date:** August 16, 2022

**Subject:** Updates to New York State Credit and Justice Involvement Assessment Policies for Applicants to State-Funded Housing

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Please be advised of updates to the following applicant assessment policies, all described further in the document attached.

1. New York State's Credit Policy for Applicants to State-Funded Housing ("Credit Policy") which are currently effective.
2. New York State's Anti-Discrimination Policies When Assessing Justice-Involved Applicants for State-Funded Housing ("Justice Involvement Policy"), which will be made effective **September 12, 2022**.

The revised Credit Policy and Worksheets are available and the upcoming changes to the Justice Involvement Policy and Worksheets will be available here: <https://hcr.ny.gov/marketing-plans-policies#credit-and-justice-involvement--assessment-policies>. *Please ensure that going forward from the effective date, only updated Worksheets are used.*

Live WebEx trainings sessions on the updated policies are occurring. Click on each link to register.

- Thursday, August 18, 10-11:30: <https://conta.cc/3JRAdFW>
- Wednesday, August 24, 11-12:30: <https://conta.cc/3bRnarc>
- Wednesday, September 7, 11-12:30: <https://conta.cc/3QpNNSW>

Training materials are available here: <https://hcr.ny.gov/marketing-plans-policies#training>  
Contact the Fair and Equitable Housing Office at [feho@hcr.ny.gov](mailto:feho@hcr.ny.gov) with any questions.

Attachment

Very truly yours,  
  
Cathy Sparks

cc: M. Stratos, S. Melnitsky, N. Salcedo, L. McGill, B. Davis, L. Counts, M. Siddiqui, V. Ramos, D. Diamond-Forgenie



## Homes and Community Renewal

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### MANAGEMENT BULLETIN

**To:** NYSHCR Multifamily Owners and Management Agents  
**From:** HCR Fair and Equitable Housing Office  
**Date:** August 15, 2022  
**Subject:** Updates to New York State Credit and Justice Involvement Assessment Policies for Applicants to State-Funded Housing.

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Dear Multifamily Owners and Management Agents:

Please be advised of updates to the following applicant assessment policies, all described further below.

1. New York State's Credit Policy for Applicants to State-Funded Housing ("Credit Policy"), which are currently effective.
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### CREDIT POLICY UPDATES

The New York State Credit Policy for Applicants to State-Funded Housing was initially rolled out in 2019. In response to the devastating financial impact that the COVID-19 pandemic had on many New York families, the credit policy has been revised to prohibit housing providers from penalizing applicants for negative credit findings that occurred during, and as a result of, the COVID-19 State of Emergency. Additionally, clarifying language has been added to the section on Prohibited Information.

- *COVID Allowances Regarding On-Time Rental Payment History:* Applicants may avoid a credit check if they are able to provide evidence of on-time, in-full rental payments for the 12 months preceding the time of application, *or* the 12 months preceding the COVID-19 Pandemic (March 1, 2019 – March 1, 2020). Applicants who are able to demonstrate on-time, in-full rental payments during either of these time frames may not be rejected on the basis of credit.

- *COVID Allowances Regarding Bankruptcy and Debt:* Housing providers may not reject an applicant on the basis of a bankruptcy related to, or debt incurred (1) during the period of March 7, 2020 – June 23, 2021, and (2) due to financial hardship caused by the COVID-19 pandemic.
- *Clarification Regarding Prohibited Information (Outreach to Current or Previous Landlords, Neighbors or Others):* The policy has been updated to clarify this section. Outreach to current or previous landlords, neighbors or others associated with an applicant’s living situation is prohibited except (1) as specifically authorized by the applicant to obtain proof of rent payment pursuant to this policy, or (2) to obtain information from a current or previous landlord regarding a major lease violation such as non-payment of rent or use of the premises for an illegal purpose, which does not require the applicant’s authorization.
  - In the event a current or previous landlord provides information that does not rise to the level of a major lease violation, this information may not be considered.
  - If a current or previous landlord reports a major lease violation, the applicant must be afforded the opportunity to present evidence affirming the existence of mitigating factors, as set forth in Part II of the credit policy (e.g., financial hardship caused by the COVID-19 pandemic)

**JUSTICE-INVOLVEMENT POLICY UPDATES**

New York State’s Anti-Discrimination Policy When Assessing Justice-Involved Applicants for State-Funded Housing was initially implemented in 2016, with subsequent updates in the intervening years. The most recent update prohibits the consideration of pending arrests and limits the convictions that housing providers may consider. Additionally, the update clarifies how housing providers must use this policy for projects in receipt of state funding.

- *Age Restrictions and Lookback Periods for Consideration of Convictions:* Housing providers may only consider convictions for offenses that (1) are not specifically excluded pursuant to the New York State Human Rights Law (“NYSHRL”), (2) involved physical danger or violence to persons or property, or that adversely affected the health, safety, and welfare of other people, (3) that fall within the relevant lookback period and (4) that occurred after the applicant reached 18 years of age. Pending arrests, which are recent arrests that have not yet been resolved through the judicial process, may not be considered. Applicants who do have instances of justice involvement that may be considered must still be given an individualized assessment based on factors outlined in the related Worksheet.
  - NYSHRL Exclusions: Pursuant to the NYSHRL, housing providers may not inquire about, or deny housing, on the basis of certain types of arrests, youthful offender adjudications and sealed convictions. More information is available in the Guide for Applying New York State’s Anti-Discrimination Policies When Assessing Justice-Involved Applicants for State-Funded Housing.
  - Lookback Periods: With the exception of the convictions that result in an automatic bar to housing (applicant was convicted for the production of methamphetamine in the home or is required to be a lifetime registrant on the sex offender registry), housing providers may only consider (a) felony convictions that occurred within the past five years; (b) for convictions that resulted in supervision (incarceration or parole) , the applicant’s release from supervision

occurred within the past year; or (c) misdemeanor convictions that occurred within the past year.

- Age at Time of Offense: In no circumstance may a housing provider reject an applicant for an offense committed before the applicant reached 18 years of age.
- Certificate of Relief from Disabilities/Certificate of Good Conduct: If an applicant has a Certificate of Relief from Disabilities or a Certificate of Good Conduct in relation to the specific offense in question that is permanent and covers housing, then the applicant may not be rejected on the basis of that offense. If an applicant has any other form of Certificate of Relief from Disabilities or Certificate of Good Conduct (e.g., temporary or covering not covering housing), then this should be used as a positive factor in assessing rehabilitation.
- *Clarification Regarding the Requirement to Conduct Background Checks*: The language of the policy has been updated to clarify that HCR *does not require* housing providers to conduct a background check. If a housing provider elects to conduct background checks on all applicants, they must do so in accordance with this policy and utilizing the HCR worksheet.
- *Clarification Regarding Recordkeeping*: The policy has been updated to clarify that the housing provider must maintain copies of any information provided by the applicant, including evidence of rehabilitation, as well as any records pertaining to an appeal.
- *Projects Jointly Funded with HPD*: In August 2021, the New York City Department of Housing Preservation & Development (“HPD”) released an updated Marketing Handbook with policies and procedures for resident selection covering applicants with a history of justice involvement. HPD’s policy is substantially similar to the updated HCR policy. As such, housing providers that have received joint funding from HPD and HCR should follow HPD guidance on assessing justice-involved housing. The revised HPD Marketing Handbook is available [here](#).