



NEW YORK STATE SENATOR
Daniel L. Squadron

Squadron Urges False Claims Act Clawback of Rivington House Deal

DANIEL L. SQUADRON December 22, 2016

| ISSUE: **LOWER EAST SIDE, RIVINGTON HOUSE, CB3, HEALTH CARE, FALSE CLAIMS ACT**



Squadron Calls on AG & City Corp Counsel to Investigate Allure Group for False Claims Act Violations at LES Nursing Home

Squadron: “Vital that we hold those who violate the public trust accountable.”

NEW YORK – Today, State Senator Daniel Squadron released a letter (see [here](#)) to Attorney General Eric Schneiderman and Corporation Counsel Zachary Carter urging an investigation into the Rivington House deed restriction removal and purchase by the Allure Group under the State and City’s False Claims Acts. At the City and State level, the False Claims Act provides authority to take civil action against those that defraud the government. The City

has indicated it was misled by the Allure Group during the deed restriction removal and sale of the Lower East Side nursing home.

“The closure of Rivington House, on Manhattan’s Lower East Side, stunned the community and highlighted major flaws in the process that governs deed restrictions,” wrote **State Senator Daniel Squadron**. “The role of government is to protect the public interest and to be transparent; but that role is undermined if government is misled, as may have been the case at Rivington House. But, it is also vital that we hold those who violate the public trust accountable.”

Squadron announced the “**Rivington Act**” with Assemblymember-elect Yuh-Line Niou earlier this year to ensure that community health needs are met and a public and transparent process when nursing homes are threatened. Squadron also **testified at the City Council’s oversight hearing** on the appalling deed restriction removal process at Rivington, urging City and State reform, including the recently-passed Int. 1182-2016.

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