

STATE OF NEW YORK

8175

IN SENATE

January 11, 2024

Introduced by Sen. CLEARE -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the administrative code of the city of New York, the emergency tenant protection act of nineteen seventy-four and the emergency housing rent control law, in relation to prohibiting the adjustment of maximum allowable rent where any modification, increase or improvement is made to accommodate the needs of a disabled tenant

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subparagraph (e) of paragraph 1 of subdivision g of section
2 26-405 of the administrative code of the city of New York, as amended by
3 section 20 of part Q of chapter 39 of the laws of 2019, is amended to
4 read as follows:

5 (e) The landlord and tenant by mutual voluntary written agreement
6 demonstrating informed consent agree to a substantial increase or
7 decrease in dwelling space or a change in furniture, furnishings or
8 equipment provided in the housing accommodations. An adjustment under
9 this subparagraph shall be equal to one-one hundred sixty-eighth, in the
10 case of a building with thirty-five or fewer housing accommodations or
11 one-one hundred eightieth in the case of a building with more than thirty-five
12 housing accommodations where such temporary adjustment takes
13 effect on or after the effective date of [~~the~~] chapter thirty-six of the
14 laws of two thousand nineteen [~~that amended this subparagraph~~], of the
15 total actual cost incurred by the landlord in providing such reasonable
16 and verifiable modification or increase in dwelling space, furniture,
17 furnishings, or equipment, including the cost of installation but
18 excluding finance charges and any costs that exceed reasonable costs
19 established by rules and regulations promulgated by the division of
20 housing and community renewal. Such rules and regulations shall include:
21 (i) requirements for work to be done by licensed contractors and prohibit
22 common ownership between the landlord and the contractor or vendor;
23 and (ii) a requirement that the owner resolve within the dwelling space
24 all outstanding hazardous or immediately hazardous violations of the

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[~~-~~] is old law to be omitted.

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Uniform Fire Prevention and Building Code (Uniform Code), New York City Fire Code, or New York City Building and Housing Maintenance Codes, if applicable. Provided further that an owner who is entitled to a rent increase pursuant to this subparagraph shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings. Provided further that the recoverable costs incurred by the landlord, pursuant to this subparagraph shall be limited to an aggregate cost of fifteen thousand dollars that may be expended on no more than three separate individual apartment improvements in a fifteen year period beginning with the first individual apartment improvement on or after June fourteenth, two thousand nineteen. Provided further that increases to the legal regulated rent pursuant to this subparagraph shall be removed from the legal regulated rent thirty years from the date the increase became effective inclusive of any increases granted by the applicable rent guidelines board. The owner shall give written notice to the city rent agency of any such temporary adjustment pursuant to this subparagraph; provided, however, an owner shall not be entitled to any adjustment pursuant to this subparagraph where any modification or increase in dwelling space, services, furniture, furnishings or equipment is made to accommodate the needs of a disabled tenant. For purposes of this subparagraph, "disabled" means an individual (i) with a physical or mental impairment, including, but not limited to, those of neurological, emotional or sensory organs, which substantially limits one or more of the individual's major life activities, and (ii) who is regarded as having such an impairment as certified by a licensed physician of this state; or

§ 2. Paragraph 13 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 19 of part Q of chapter 39 of the laws of 2019, is amended to read as follows:

(13) provides that an owner is entitled to a rent increase where there has been a substantial modification or increase of dwelling space, or installation of new equipment or improvements or new furniture or furnishings provided in or to a tenant's housing accommodation, on written informed tenant consent to the rent increase. In the case of a vacant housing accommodation, tenant consent shall not be required. The temporary increase in the legal regulated rent for the affected housing accommodation shall be one-one hundred sixty-eighth, in the case of a building with thirty-five or fewer housing accommodations or one-one hundred eightieth in the case of a building with more than thirty-five housing accommodations where such increase takes effect on or after the effective date of ~~[the]~~ chapter thirty-six of the laws of two thousand nineteen ~~[that amended this paragraph]~~, of the total actual cost incurred by the landlord in providing such reasonable and verifiable modification or increase in dwelling space, furniture, furnishings, or equipment, including the cost of installation but excluding finance charges and any costs that exceed reasonable costs established by rules and regulations promulgated by the division of housing and community renewal. Such rules and regulations shall include: (i) requirements for work to be done by licensed contractors and prohibit common ownership between the landlord and the contractor or vendor; and (ii) a requirement that the owner resolve within the dwelling space all outstanding hazardous or immediately hazardous violations of the Uniform Fire Prevention and Building Code (Uniform Code), New York City Fire Code, or New York City Building and Housing Maintenance Codes, if applicable. Provided further that an owner who is entitled to a rent increase pursu-

ant to this paragraph shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings. Provided further that the recoverable costs incurred by the landlord, pursuant to this paragraph, shall be limited to an aggregate cost of fifteen thousand dollars that may be expended on no more than three separate individual apartment improvements in a fifteen year period beginning with the first individual apartment improvement on or after June fourteenth, two thousand nineteen. Provided further that increases to the legal regulated rent pursuant to this paragraph shall be removed from the legal regulated rent thirty years from the date the increase became effective inclusive of any increases granted by the applicable rent guidelines board. Provided, however, an owner shall not be entitled to any rent increase pursuant to this paragraph where any modification, increase or improvement in dwelling space, services, furniture, furnishings or equipment is made to accommodate the needs of a disabled tenant. For purposes of this paragraph, "disabled" means an individual (i) with a physical or mental impairment, including, but not limited to, those of neurological, emotional or sensory organs, which substantially limits one or more of the individual's major life activities, and (ii) who is regarded as having such an impairment as certified by a licensed physician of this state.

§ 3. Paragraph 1 of subdivision d of section 6 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, as amended by section 18 of part Q of chapter 39 of the laws of 2019, is amended to read as follows:

(1) there has been a substantial modification or increase of dwelling space, or installation of new equipment or improvements or new furniture or furnishings, provided in or to a tenant's housing accommodation, on written informed tenant consent to the rent increase. In the case of a vacant housing accommodation, tenant consent shall not be required. The temporary increase in the legal regulated rent for the affected housing accommodation shall be one-one hundred sixty-eighth, in the case of a building with thirty-five or fewer housing accommodations or one-one hundred eightieth in the case of a building with more than thirty-five housing accommodations where such increase takes effect on or after the effective date of ~~[the]~~ chapter thirty-six of the laws of two thousand nineteen ~~[that amended this paragraph]~~, of the total actual cost incurred by the landlord up to fifteen thousand dollars in providing such reasonable and verifiable modification or increase in dwelling space, furniture, furnishings, or equipment, including the cost of installation but excluding finance charges and any costs that exceed reasonable costs established by rules and regulations promulgated by the division of housing and community renewal. Such rules and regulations shall include: (i) requirements for work to be done by licensed contractors and a prohibition on common ownership between the landlord and the contractor or vendor; and (ii) a requirement that the owner resolve within the dwelling space all outstanding hazardous or immediately hazardous violations of the Uniform Fire Prevention and Building Code (Uniform Code), New York City Fire Code, or New York City Building and Housing Maintenance Codes, if applicable. Provided further that an owner who is entitled to a rent increase pursuant to this paragraph shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings. Provided further that the recoverable costs incurred by the landlord,

pursuant to this paragraph, shall be limited to an aggregate cost of fifteen thousand dollars that may be expended on no more than three separate individual apartment improvements in a fifteen year period beginning with the first individual apartment improvement on or after June fourteenth, two thousand nineteen. Provided further that increases to the legal regulated rent pursuant to this paragraph shall be removed from the legal regulated rent thirty years from the date the increase became effective inclusive of any increases granted by the applicable rent guidelines board. Provided, however, an owner shall not be entitled to any rent increase pursuant to this paragraph where any modification, increase or improvement in dwelling space, services, furniture, furnishings or equipment is made to accommodate the needs of a disabled tenant. For purposes of this paragraph, "disabled" means an individual (i) with a physical or mental impairment, including, but not limited to, those of neurological, emotional or sensory organs, which substantially limits one or more of the individual's major life activities, and (ii) who is regarded as having such an impairment as certified by a licensed physician of this state.

§ 4. Subparagraph 5 of the second undesignated paragraph of paragraph (a) of subdivision 4 of section 4 of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, as amended by section 36 of part Q of chapter 39 of the laws of 2019, is amended to read as follows:

(5) the landlord and tenant by mutual voluntary written informed agreement agree to a substantial increase or decrease in dwelling space, furniture, furnishings or equipment provided in the housing accommodations; provided that an owner shall be entitled to a rent increase where there has been a substantial modification or increase of dwelling space, or installation of new equipment or improvements or new furniture or furnishings provided in or to a tenant's housing accommodation. The temporary increase in the maximum rent for the affected housing accommodation shall be one-one hundred sixty-eighth, in the case of a building with thirty-five or fewer housing accommodations, or one-one hundred eightieth, in the case of a building with more than thirty-five housing accommodations where such increase takes effect on or after the effective date of ~~[the]~~ chapter thirty-nine of the laws of two thousand nineteen ~~[that amended this subparagraph]~~, of the total actual cost incurred by the landlord up to fifteen thousand dollars in providing such reasonable and verifiable modification or increase in dwelling space, furniture, furnishings, or equipment, including the cost of installation but excluding finance charges and any costs that exceed reasonable costs established by rules and regulations promulgated by the division of housing and community renewal. Such rules and regulations shall include: (i) requirements for work to be done by licensed contractors and a prohibition on common ownership between the landlord and the contractor or vendor; and (ii) a requirement that the owner resolve within the dwelling space all outstanding hazardous or immediately hazardous violations of the uniform fire prevention and building code (Uniform Code), New York city fire code, or New York city building and housing maintenance codes, if applicable. Provided further that an owner who is entitled to a rent increase pursuant to this clause shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings. Provided further that the recoverable costs incurred by the landlord, pursuant to this subparagraph, shall be limited to an aggregate cost of fifteen thousand

1 dollars that may be expended on no more than three separate individual
2 apartment improvements in a fifteen year period beginning with the first
3 individual apartment improvement on or after June fourteenth, two thou-
4 sand nineteen. Provided further that increases to the legal regulated
5 rent pursuant to this paragraph shall be removed from the legal regu-
6 lated rent thirty years from the date the increase became effective
7 inclusive of any increases granted by the applicable rent guidelines
8 board. The owner shall give written notice to the commission of any such
9 adjustment pursuant to this clause; provided, however, an owner shall
10 not be entitled to any adjustment pursuant to this clause where any
11 modification, improvement or increase in dwelling space, services,
12 furniture, furnishings or equipment is made to accommodate the needs of
13 a disabled tenant. For purposes of this clause, "disabled" means an
14 individual (i) with a physical or mental impairment, including, but not
15 limited to, those of neurological, emotional or sensory organs, which
16 substantially limits one or more of the individual's major life activ-
17 ities, and (ii) who is regarded as having such an impairment as certi-
18 fied by a licensed physician of this state; or

19 § 5. This act shall take effect immediately; provided that:

20 (a) the amendments to section 26-405 of the city rent and rehabili-
21 tation law made by section one of this act shall remain in full force
22 and effect only as long as the public emergency requiring the regulation
23 and control of residential rents and evictions continues, as provided in
24 subdivision 3 of section 1 of the local emergency housing rent control
25 act; and

26 (b) the amendments made to section 26-511 of chapter 4 of title 26 of
27 the administrative code of the city of New York made by section two of
28 this act shall expire on the same date as such law expires and shall not
29 affect the expiration of such law as provided under section 26-520 of
30 such law.