S T A T E O F N E W Y O R K

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I N A S S E M B L Y

January 13, 2015

Introduced by M. of A. ROSENTHAL, BRENNAN, LENTOL, WRIGHT, SCHIMEL, KAVANAGH, GOTTFRIED, DINOWITZ, LAVINE, COLTON, TITUS, FARRELL, ORTIZ, BENEDETTO, HOOPER, ROBINSON, ZEBROWSKI, GLICK, MOSLEY, WEPRIN, DAVILA, PICHARDO, BICHOTTE, MAYER, ABINANTI, SIMON, JOYNER, LINARES, SEAWRIGHT, QUART, ROZIC, BLAKE, WALKER, RICHARDSON -- Multi-Sponsored by -- M. of A. COOK, CYMBROWITZ, JAFFEE, MARKEY, PEOPLES-STOKES, PERRY, PRETLOW, RIVERA, SEPULVEDA -- read once and referred to the Committee on Housing -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Housing in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four, in relation to making conforming technical changes; and to repeal paragraph 13 of subdivision a of section 5 of section 4 of chapter 576 of the laws of 1974 constituting the emergency tenant protection act of nineteen seventy-four, paragraph (n) of subdivision 2 of section 2 of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, and section 26-504.2 and subparagraph (k) of paragraph 2 of subdivision e of section 26-403 of the administrative code of the city of New York, relating to vacancy decontrol

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Legislative findings and declaration of emergency. The legislature hereby finds and declares that the serious public emergency which led to the enactment of the existing laws regulating residential rents and evictions continues to exist; that such laws would better serve the public interest if certain changes were made thereto, including the continued regulation of certain housing accommodations that

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

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become vacant and the reinstatement of regulation of certain housing accommodations that have been deregulated upon vacancy.

The legislature further recognizes that severe disruption of the rental housing market has occurred and threatens to be exacerbated as a result of the present state of the law in relation to the deregulation of housing accommodations upon vacancy. The situation has permitted speculative and profiteering practices and has brought about the loss of vital and irreplaceable affordable housing for working persons and families.

The legislature therefore declares that in order to prevent uncertainty, potential hardship and dislocation of tenants living in housing accommodations subject to government regulations as to rentals and continued occupancy as well as those not subject to such regulation, the provisions of this act are necessary to protect the public health, safety and general welfare. The necessity in the public interest for the provisions hereinafter enacted is hereby declared as a matter of legislative determination.

S 2. Paragraph (n) of subdivision 2 of section 2 of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, is REPEALED.

S 3. Paragraph 13 of subdivision a of section 5 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is REPEALED.

S 4. Subparagraph (k) of paragraph 2 of subdivision e of section 26-403 of the administrative code of the city of New York is REPEALED.

S 5. Section 26-504.2 of the administrative code of the city of New York is REPEALED.

S 6. Any housing accommodations that prior to the effective date of this act were excluded from coverage from the emergency tenant protection act of nineteen seventy-four, the emergency housing rent control law or the administrative code of the city of New York pursuant to the provisions of law repealed by sections two, three, four and five of this act, and where such housing accommodations were located outside the city of New York and were rented to a tenant between January 1, 2013 and the effective date of this act for less than $3,500.00 per month regardless of any subsequent payment of a higher monthly rent, or were located within the city of New York and were rented to a tenant between January 1, 2013 and the effective date of this act for less than $5,000.00 per month, regardless of any subsequent payment of a higher monthly rent, shall be subject to the provisions of such act, law or administrative code, respectively. Notwithstanding the provisions of any lease or rental agreement, the legal regulated rent or maximum collectible rent of any housing accommodation excluded from regulation prior to the effective date of this act by reason of the provisions repealed by sections two, three, four and five of this act and made subject to regulation shall be the actual rent paid by a tenant on December 31, 2014 or, if no rent was paid for such accommodation on December 31, 2014, the most recent actual rent paid by a tenant for such accommodation prior to December 31, 2014, subject to further adjustment in accordance with applicable provisions of law.

S 7. Paragraph 14 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 12 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

(14) provides that where the amount of rent charged to and paid by the tenant is less than the legal regulated rent for the housing accommodation, the amount of rent for such housing accommodation which may be

charged upon renewal or upon vacancy thereof, may, at the option of the owner, be based upon such previously established legal regulated rent, as adjusted by the most recent applicable guidelines increases and any other increases authorized by law. [Such housing accommodation shall be excluded from the provisions of this code pursuant to section 26-504.2 of this chapter when, subsequent to vacancy: (i) such legal regulated rent prior to vacancy is two thousand five hundred dollars per month, or more, for any housing accommodation that is or becomes vacant after the effective date of the rent act of 2011 but prior to the effective date of the rent act of 2015 or (ii) such legal regulated rent is two thousand seven hundred dollars per month or more, provided, however that on January 1, 2016, and annually thereafter, the maximum legal regulated rent for this deregulation threshold shall be adjusted by the same percentage as the most recent one year renewal adjustment as adjusted by the relevant rent guidelines board, for any housing accommodation that is or becomes vacant on or after the rent act of 2015.]

S 8. Subdivision (a-2) of section 10 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 11 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

(a-2) Provides that where the amount of rent charged to and paid by the tenant is less than the legal regulated rent for the housing accommodation, the amount of rent for such housing accommodation which may be charged upon renewal or upon vacancy thereof, may, at the option of the owner, be based upon such previously established legal regulated rent, as adjusted by the most recent applicable guidelines increases and other increases authorized by law. [Such housing accommodation shall be excluded from the provisions of this act pursuant to paragraph thirteen of subdivision a of section five of this act when subsequent to vacancy: (i) such legal regulated rent is two thousand five hundred dollars per month, or more, for any housing accommodation that is, or becomes, vacant after the effective date of the rent act of 2011 but prior to the effective date of the rent act of 2015 or (ii) such legal regulated rent is two thousand seven hundred dollars per month or more for any housing accommodation that is or becomes vacant on or after the rent act of 2015; starting on January 1, 2016, and annually thereafter, the maximum legal regulated rent for this deregulation threshold, shall also be increased by the same percent as the most recent one year renewal adjustment, adopted by the applicable rent guidelines board pursuant to the rent stabilization law.]

S 9. This act shall take effect immediately; provided, however, that:

(a) the amendments to section 26-511 of chapter 4 of title 26 of the administrative code of the city of New York made by section seven of this act shall expire on the same date as such law expires and shall not affect the expiration of such law as provided under section 26-520 of such law; and

(b) the amendments to subdivision (a-2) of section 10 of section 4 of the emergency tenant protection act of nineteen seventy-four made by section eight of this act shall expire on the same date as such act expires and shall not affect the expiration of such act as provided in section 17 of chapter 576 of the laws of 1974.