

7526

2015-2016 Regular Sessions

I N A S S E M B L Y

May 14, 2015

Introduced by M. of A. WRIGHT, FARRELL, O'DONNELL, AUBRY, CRESPO, GLICK, SILVER, KAVANAGH, GOTTFRIED, LENTOL, MOSLEY, PRETLOW, ROSENTHAL, BICHOTTE, COOK, DAVILA, DINOWITZ, JOYNER, LINARES, MOYA, PICHARDO, ROBINSON, RODRIGUEZ, SEPULVEDA, WALKER, ABINANTI, BENEDETTO, COLTON, DenDEKKER, JAFFEE, BROOK-KRASNY, ORTIZ -- read once and referred to the Committee on Housing

AN ACT to amend chapter 576 of the laws of 1974 amending the emergency housing rent control law relating to the control of and stabilization of rent in certain cases, the emergency housing rent control law, chapter 329 of the laws of 1963 amending the emergency housing rent control law relating to recontrol of rents in Albany, chapter 555 of the laws of 1982 amending the general business law and the administrative code of the city of New York relating to conversion of residential property to cooperative or condominium ownership in the city of New York, chapter 402 of the laws of 1983 amending the general business law relating to conversion of rental residential property to cooperative or condominium ownership in certain municipalities in the counties of Nassau, Westchester and Rockland and the rent regulation reform act of 1997, in relation to extending the effectiveness thereof; 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 the regulation of rents; to amend the emergency tenant protection act of nineteen seventy-four, the emergency housing rent control law, and the administrative code of the city of New York, in relation to deregulation thresholds; 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 recovery of certain housing accommodations by a landlord; to amend the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four, in relation to limiting rent increase after vacancy of a housing accommodation; to amend the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four, in relation to the declaration of emergencies

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

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for certain rental housing accommodations; 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 approval of major capital improvement rent increases and in relation to extending the length of time over which major capital improvement expenses may be recovered; to amend the administrative code of the city of New York, in relation to waivers of rent adjustments; 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 adjustment of maximum allowable rent; to amend the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four, in relation to hardship applications; to amend the emergency tenant protection act of nineteen seventy-four, in relation to the declaration of housing emergencies for rental housing accommodations located in buildings owned by certain limited-profit housing companies; to amend the administrative code of the city of New York, in relation to the filing of an overcharge complaint; to amend the penal law, in relation to harassment of a rent regulated tenant; to amend the civil practice law and rules, in relation to residential rent overcharges; to amend the administrative code of the city of New York and the emergency housing rent control law, in relation to the establishment of rent adjustments; to amend the real property law, in relation to the duty of a landlord to provide written receipts and notification of non-payment of rent; to amend the multiple dwelling law, in relation to coverage of interim multiple dwellings and owner obligations; to amend the civil practice law and rules, in relation to prerequisites and certificate of merit in an eviction proceeding and to repeal subdivision (h) of section 27 of chapter 4 of the laws of 2013 amending the real property tax law relating to exemption from taxation to alterations and improvements to multiple dwellings to eliminate fire and health hazards, relating thereto; and to repeal paragraph (n) of subdivision 2 of section 2 of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, 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, subparagraph (k) of paragraph 2 of subdivision e of section 26-403 and subparagraphs (l) and (n) of paragraph 1 of subdivision g of section 26-405 of the administrative code of the city of New York and section 26-504.2 of the administrative code of the city of New York related thereto

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "rent act of 2015".
3 S 1-a. Section 17 of chapter 576 of the laws of 1974 amending the
4 emergency housing rent control law relating to the control of and
5 stabilization of rent in certain cases, as amended by section 1-a of
6 part B of chapter 97 of the laws of 2011, is amended to read as follows:
7 S 17. Effective date. This act shall take effect immediately and
8 shall remain in full force and effect until and including the fifteenth
9 day of June [2015] 2019; except that sections two and three shall take
10 effect with respect to any city having a population of one million or
11 more and section one shall take effect with respect to any other city,

1 or any town or village whenever the local legislative body of a city,
2 town or village determines the existence of a public emergency pursuant
3 to section three of the emergency tenant protection act of nineteen
4 seventy-four, as enacted by section four of this act, and provided that
5 the housing accommodations subject on the effective date of this act to
6 stabilization pursuant to the New York city rent stabilization law of
7 nineteen hundred sixty-nine shall remain subject to such law upon the
8 expiration of this act.

9 S 2. Subdivision 2 of section 1 of chapter 274 of the laws of 1946
10 constituting the emergency housing rent control law, as amended by
11 section 2 of part B of chapter 97 of the laws of 2011, is amended to
12 read as follows:

13 2. The provisions of this act, and all regulations, orders and
14 requirements thereunder shall remain in full force and effect until and
15 including June 15, [2015] 2019.

16 S 3. Section 2 of chapter 329 of the laws of 1963 amending the emer-
17 gency housing rent control law relating to recontrol of rents in Albany,
18 as amended by section 3 of part B of chapter 97 of the laws of 2011, is
19 amended to read as follows:

20 S 2. This act shall take effect immediately and the provisions of
21 subdivision 6 of section 12 of the emergency housing rent control law,
22 as added by this act, shall remain in full force and effect until and
23 including June 15, [2015] 2019.

24 S 4. Section 10 of chapter 555 of the laws of 1982 amending the gener-
25 al business law and the administrative code of the city of New York
26 relating to conversion of residential property to cooperative or condo-
27 minium ownership in the city of New York, as amended by section 4 of
28 part B of chapter 97 of the laws of 2011, is amended to read as follows:

29 S 10. This act shall take effect immediately; provided, that the
30 provisions of sections one, two and nine of this act shall remain in
31 full force and effect only until and including June 15, [2015] 2019;
32 provided further that the provisions of section three of this act shall
33 remain in full force and effect only so long as the public emergency
34 requiring the regulation and control of residential rents and evictions
35 continues as provided in subdivision 3 of section 1 of the local emer-
36 gency housing rent control act; provided further that the provisions of
37 sections four, five, six and seven of this act shall expire in accord-
38 ance with the provisions of section 26-520 of the administrative code of
39 the city of New York as such section of the administrative code is, from
40 time to time, amended; provided further that the provisions of section
41 26-511 of the administrative code of the city of New York, as amended by
42 this act, which the New York City Department of Housing Preservation and
43 Development must find are contained in the code of the real estate
44 industry stabilization association of such city in order to approve it,
45 shall be deemed contained therein as of the effective date of this act;
46 and provided further that any plan accepted for filing by the department
47 of law on or before the effective date of this act shall continue to be
48 governed by the provisions of section 352-eeee of the general business
49 law as they had existed immediately prior to the effective date of this
50 act.

51 S 5. Section 4 of chapter 402 of the laws of 1983 amending the general
52 business law relating to conversion of rental residential property to
53 cooperative or condominium ownership in certain municipalities in the
54 counties of Nassau, Westchester and Rockland, as amended by section 5 of
55 part B of chapter 97 of the laws of 2011, is amended to read as follows:

1 S 4. This act shall take effect immediately; provided, that the
2 provisions of sections one and three of this act shall remain in full
3 force and effect only until and including June 15, [2015] 2019; and
4 provided further that any plan accepted for filing by the department of
5 law on or before the effective date of this act shall continue to be
6 governed by the provisions of section 352-eee of the general business
7 law as they had existed immediately prior to the effective date of this
8 act.

9 S 6. Subdivision 6 of section 46 of chapter 116 of the laws of 1997
10 constituting the rent regulation reform act of 1997, as amended by
11 section 6 of part B of chapter 97 of the laws of 2011, is amended to
12 read as follows:

13 6. sections twenty-eight, twenty-eight-a, twenty-eight-b and twenty-
14 eight-c of this act shall expire and be deemed repealed after June 15,
15 [2015] 2019;

16 S 7. Subdivision (a-2) of section 10 of section 4 of chapter 576 of
17 the laws of 1974, constituting the emergency tenant protection act of
18 nineteen seventy-four, as amended by section 13 of part B of chapter 97
19 of the laws of 2011, is amended to read as follows:

20 (a-2) Provides that where the amount of rent charged to and paid by
21 the tenant is less than the legal regulated rent for the housing accom-
22 modation, the amount of rent for such housing accommodation which may be
23 charged [upon renewal or] upon vacancy thereof may, at the option of the
24 owner, be based upon such previously established legal regulated rent,
25 as adjusted by [the most recent] ALL applicable guidelines increases and
26 other increases authorized by law; PROVIDED, HOWEVER, THAT SUCH VACANCY
27 SHALL NOT BE CAUSED BY THE FAILURE OF THE OWNER OR AN AGENT OF THE
28 OWNER, TO MAINTAIN THE HOUSING ACCOMMODATION IN COMPLIANCE WITH THE
29 WARRANTY OF HABITABILITY SET FORTH IN SUBDIVISION ONE OF SECTION TWO
30 HUNDRED THIRTY-FIVE-B OF THE REAL PROPERTY LAW. Where, subsequent to
31 vacancy, such legal regulated rent, as adjusted by the most recent
32 applicable guidelines increases and any other increases authorized by
33 law is two thousand dollars or more per month or, for any housing accom-
34 modation which is or becomes vacant on or after the effective date of
35 the rent act of 2011, is two thousand five hundred dollars or more per
36 month, such housing accommodation shall be excluded from the provisions
37 of this act pursuant to paragraph thirteen of subdivision a of section
38 five of this act.

39 S 8. Paragraph 14 of subdivision c of section 26-511 of the adminis-
40 trative code of the city of New York, as amended by section 14 of part B
41 of chapter 97 of the laws of 2011, is amended to read as follows:

42 (14) provides that where the amount of rent charged to and paid by the
43 tenant is less than the legal regulated rent for the housing accommo-
44 dation, the amount of rent for such housing accommodation which may be
45 charged [upon renewal or] upon vacancy thereof may, at the option of the
46 owner, be based upon such previously established legal regulated rent,
47 as adjusted by the most recent applicable guidelines increases and any
48 other increases authorized by law; PROVIDED, HOWEVER, THAT SUCH VACANCY
49 SHALL NOT BE CAUSED BY THE FAILURE OF THE OWNER OR AN AGENT OF THE
50 OWNER, TO MAINTAIN THE HOUSING ACCOMMODATION IN COMPLIANCE WITH THE
51 WARRANTY OF HABITABILITY SET FORTH IN SUBDIVISION ONE OF SECTION TWO
52 HUNDRED THIRTY-FIVE-B OF THE REAL PROPERTY LAW. Where, subsequent to
53 vacancy, such legal regulated rent, as adjusted by [the most recent] ALL
54 applicable guidelines increases and any other increases authorized by
55 law is two thousand dollars or more per month or, for any housing accom-
56 modation which is or becomes vacant on or after the effective date of

1 the rent act of 2011, is two thousand five hundred dollars or more per
2 month, such housing accommodation shall be excluded from the provisions
3 of this law pursuant to section 26-504.2 of this chapter.

4 S 9. Paragraphs 1 and 2 of subdivision c of section 26-516 of the
5 administrative code of the city of New York, as amended by section 1 of
6 chapter 480 of the laws of 2009, are amended to read as follows:

7 (1) to have violated an order of the division the commissioner may
8 impose by administrative order after hearing, a civil penalty [in the
9 amount of one thousand dollars for the first such offense and two] AT
10 MINIMUM IN THE AMOUNT OF ONE THOUSAND BUT NOT TO EXCEED TWO THOUSAND
11 DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT A MINIMUM IN THE AMOUNT OF
12 TWO THOUSAND BUT NOT TO EXCEED FOUR thousand dollars for each subsequent
13 offense; or

14 (2) to have harassed a tenant to obtain vacancy of his or her housing
15 accommodation, the commissioner may impose by administrative order after
16 hearing, a civil penalty for any such violation. Such penalty shall be
17 [in the amount of two thousand dollars for a first such offense and up
18 to ten] AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED FIVE
19 THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE
20 AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED FIFTEEN thousand dollars for
21 each subsequent offense or for a violation consisting of conduct
22 directed at the tenants of more than one housing accommodation.

23 S 10. Paragraph 2 of subdivision c of section 26-516 of the adminis-
24 trative code of the city of New York, as amended by section 2 of chapter
25 480 of the laws of 2009, is amended to read as follows:

26 (2) to have harassed a tenant to obtain vacancy of his or her housing
27 accommodation, the commissioner may impose by administrative order after
28 hearing, a civil penalty for any such violation. Such penalty shall be
29 [in the amount of two thousand dollars for a first such offense and up
30 to ten] AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED FIVE
31 THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT A MINIMUM IN THE
32 AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED FIFTEEN thousand dollars for
33 each subsequent offense or for a violation consisting of conduct
34 directed at the tenants of more than one housing accommodation.

35 S 11. Subparagraph (a) of paragraph 2 of subdivision b of section
36 26-413 of the administrative code of the city of New York, as amended by
37 section 3 of chapter 480 of the laws of 2009, is amended to read as
38 follows:

39 (a) Impose by administrative order after hearing, a civil penalty for
40 any violation of said section and bring an action to recover same in any
41 court of competent jurisdiction. Such penalty in the case of a violation
42 of subdivision d of such section shall be [in the amount of two thousand
43 dollars for the first offense and ten] AT MINIMUM IN THE AMOUNT OF TWO
44 THOUSAND BUT NOT TO EXCEED FIVE THOUSAND DOLLARS FOR THE FIRST SUCH
45 OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED
46 FIFTEEN thousand dollars for each subsequent offense or for a violation
47 consisting of conduct directed at the tenants of more than one housing
48 accommodation; and in the case of any other violation of such section
49 [in the amount of one thousand dollars for the first such offense and
50 two] AT MINIMUM IN THE AMOUNT OF ONE THOUSAND BUT NOT TO EXCEED TWO
51 THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE
52 AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED FOUR thousand dollars for each
53 subsequent offense. Such order by the city rent agency shall be deemed a
54 final determination for the purposes of judicial review as provided in
55 section 26-411 of this chapter. Such action shall be brought on behalf
56 of the city and any amount recovered shall be paid into the city treas-

1 ury. Such right of action may be released, compromised or adjusted by
2 the city rent agency at any time subsequent to the issuance of such
3 administrative order.

4 S 12. Subparagraph (a) of paragraph 2 of subdivision b of section
5 26-413 of the administrative code of the city of New York, as amended by
6 section 4 of chapter 480 of the laws of 2009, is amended to read as
7 follows:

8 (a) Impose by administrative order after hearing, a civil penalty for
9 any violation of said section and bring an action to recover same in any
10 court of competent jurisdiction. Such penalty in the case of a violation
11 of subdivision d of such section shall be [in the amount of two thousand
12 dollars for a first such offense and ten] AT MINIMUM IN THE AMOUNT OF
13 TWO THOUSAND BUT NOT TO EXCEED FIVE THOUSAND DOLLARS FOR THE FIRST SUCH
14 OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED
15 FIFTEEN thousand dollars for each subsequent offense or for a violation
16 consisting of conduct directed at the tenants of more than one housing
17 accommodation; and in the case of any other violation of such section
18 [in the amount of one thousand dollars for the first such offense and
19 two] AT MINIMUM IN THE AMOUNT OF ONE THOUSAND BUT NOT TO EXCEED TWO
20 THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE
21 AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED FOUR thousand dollars for each
22 subsequent offense. Such order by the city rent agency shall be deemed a
23 final determination for the purposes of judicial review as provided in
24 section 26-411 of this chapter. Such action shall be brought on behalf
25 of the city and any amount recovered shall be paid into the city treas-
26 ury. Such right of action may be released, compromised or adjusted by
27 the city rent agency at any time subsequent to the issuance of such
28 administrative order.

29 S 13. Clauses (i) and (ii) of paragraph 3 of subdivision a of section
30 12 of section 4 of chapter 576 of the laws of 1974 constituting the
31 emergency tenant protection act of nineteen seventy-four, as amended by
32 section 5 of chapter 480 of the laws of 2009, are amended to read as
33 follows:

34 (i) to have violated an order of the division the commissioner may
35 impose by administrative order after hearing, a civil penalty [in the
36 amount of one thousand dollars for the first such offense and two] AT
37 MINIMUM IN THE AMOUNT OF ONE THOUSAND BUT NOT TO EXCEED TWO THOUSAND
38 DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TWO
39 THOUSAND BUT NOT TO EXCEED FOUR thousand dollars for each subsequent
40 offense; or

41 (ii) to have harassed a tenant to obtain vacancy of his housing accom-
42 modation, the commissioner may impose by administrative order after
43 hearing, a civil penalty for any such violation. Such penalty shall be
44 [in the amount of two thousand dollars for the first such offense and
45 ten] AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED FIVE
46 THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE
47 AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED FIFTEEN thousand dollars for
48 each subsequent offense or for a violation consisting of conduct
49 directed at the tenants of more than one housing accommodation.

50 S 14. Clause (ii) of paragraph 3 of subdivision a of section 12 of
51 section 4 of chapter 576 of the laws of 1974 constituting the emergency
52 tenant protection act of nineteen seventy-four, as amended by section 6
53 of chapter 480 of the laws of 2009, is amended to read as follows:

54 (ii) to have harassed a tenant to obtain vacancy of his housing accom-
55 modation, the commissioner may impose by administrative order after
56 hearing, a civil penalty for any such violation. Such penalty shall be

[in the amount of two thousand dollars for the first such offense and ten] AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED FIVE THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED FIFTEEN thousand dollars for each subsequent offense or for a violation consisting of conduct directed at the tenants of more than one housing accommodation.

S 15. 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 16. 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 17. 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 18. Section 26-504.2 of the administrative code of the city of New York is REPEALED.

S 19. 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 20. Paragraph 14 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 14 of part B of chapter 97 of the laws of 2011, 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. [Where, subsequent to vacancy, such legal regulated rent, as adjusted by the most recent applicable guidelines increases and any other increases authorized by law is two thousand dollars or more per month or, for any housing accommodation which is or becomes vacant on or after the effective date of the rent act of 2011, is two thousand five hundred dollars or more per month, such housing accommodation shall be excluded from the provisions of this law pursuant to section 26-504.2 of this chapter.]

1 S 21. Subdivision (a-2) of section 10 of section 4 of chapter 576 of
2 the laws of 1974 constituting the emergency tenant protection act of
3 nineteen seventy-four, as amended by section 13 of part B of chapter 97
4 of the laws of 2011, is amended to read as follows:

5 (a-2) Provides that where the amount of rent charged to and paid by
6 the tenant is less than the legal regulated rent for the housing accom-
7 modation, the amount of rent for such housing accommodation which may be
8 charged upon renewal or upon vacancy thereof may, at the option of the
9 owner, be based upon such previously established legal regulated rent,
10 as adjusted by the most recent applicable guidelines increases and other
11 increases authorized by law. [Where, subsequent to vacancy, such legal
12 regulated rent, as adjusted by the most recent applicable guidelines
13 increases and any other increases authorized by law is two thousand
14 dollars or more per month or, for any housing accommodation which is or
15 becomes vacant on or after the effective date of the rent act of 2011,
16 is two thousand five hundred dollars or more per month, such housing
17 accommodation shall be excluded from the provisions of this act pursuant
18 to paragraph thirteen of subdivision a of section five of this act.]

19 S 22. Paragraphs 2 and 3 of subdivision (a) of section 5-a of section
20 4 of chapter 576 of the laws of 1974, constituting the emergency tenant
21 protection act of nineteen seventy-four, as added by section 30 of part
22 B of chapter 97 of the laws of 2011, are amended to read as follows:

23 2. Deregulation income threshold means total annual income equal to
24 one hundred seventy-five thousand dollars in each of the two preceding
25 calendar years for proceedings commenced before July first, two thousand
26 eleven. For proceedings commenced on or after July first, two thousand
27 eleven, the deregulation income threshold means the total annual income
28 equal to two hundred thousand dollars in each of the two preceding
29 calendar years. FOR PROCEEDINGS COMMENCED ON OR AFTER JULY FIRST, TWO
30 THOUSAND FIFTEEN, THE DEREGULATION INCOME THRESHOLD MEANS THE TOTAL
31 ANNUAL INCOME EQUAL TO TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS IN EACH
32 OF THE TWO PRECEDING CALENDAR YEARS.

33 3. Deregulation rent threshold means two thousand dollars for
34 proceedings commenced before July first, two thousand eleven. For
35 proceedings commenced on or after July first, two thousand eleven, the
36 deregulation rent threshold means two thousand five hundred dollars.
37 FOR PROCEEDINGS COMMENCED ON OR AFTER JULY FIRST, TWO THOUSAND FIFTEEN,
38 THE DEREGULATION RENT THRESHOLD MEANS THREE THOUSAND FIVE HUNDRED
39 DOLLARS.

40 S 23. Paragraphs 2 and 3 of subdivision (a) of section 2-a of chapter
41 274 of the laws of 1946, constituting the emergency housing rent control
42 law, as added by section 32 of part B of chapter 97 of the laws of 2011,
43 are amended to read as follows:

44 2. Deregulation income threshold means total annual income equal to
45 one hundred seventy-five thousand dollars in each of the two preceding
46 calendar years for proceedings commenced before July first, two thousand
47 eleven. For proceedings commenced on or after July first, two thousand
48 eleven, the deregulation income threshold means the total annual income
49 equal to two hundred thousand dollars in each of the two preceding
50 calendar years. FOR PROCEEDINGS COMMENCED ON OR AFTER JULY FIRST, TWO
51 THOUSAND FIFTEEN, THE DEREGULATION INCOME THRESHOLD MEANS THE TOTAL
52 ANNUAL INCOME EQUAL TO TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS IN EACH
53 OF THE TWO PRECEDING CALENDAR YEARS.

54 3. Deregulation rent threshold means two thousand dollars for
55 proceedings commenced prior to July first, two thousand eleven. For
56 proceedings commenced on or after July first, two thousand eleven, the

1 deregulation rent threshold means two thousand five hundred dollars.
2 FOR PROCEEDINGS COMMENCED ON OR AFTER JULY FIRST, TWO THOUSAND FIFTEEN,
3 THE DEREGULATION RENT THRESHOLD MEANS THREE THOUSAND FIVE HUNDRED
4 DOLLARS.

5 S 24. Paragraphs 2 and 3 of subdivision (a) of section 26-403.1 of the
6 administrative code of the city of New York, as added by section 34 of
7 part B of chapter 97 of the laws of 2011, are amended to read as
8 follows:

9 2. Deregulation income threshold means total annual income equal to
10 one hundred seventy-five thousand dollars in each of the two preceding
11 calendar years for proceedings commenced prior to July first, two thou-
12 sand eleven. For proceedings commenced on or after July first, two thou-
13 sand eleven, the deregulation income threshold means the total annual
14 income equal to two hundred thousand dollars in each of the two preced-
15 ing calendar years. FOR PROCEEDINGS COMMENCED ON OR AFTER JULY FIRST,
16 TWO THOUSAND FIFTEEN, THE DEREGULATION INCOME THRESHOLD MEANS THE TOTAL
17 ANNUAL INCOME EQUAL TO TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS IN EACH
18 OF THE TWO PRECEDING CALENDAR YEARS.

19 3. Deregulation rent threshold means two thousand dollars for
20 proceedings commenced before July first, two thousand eleven. For
21 proceedings commenced on or after July first, two thousand eleven, the
22 deregulation rent threshold means two thousand five hundred dollars.
23 FOR PROCEEDINGS COMMENCED ON OR AFTER JULY FIRST, TWO THOUSAND FIFTEEN,
24 THE DEREGULATION RENT THRESHOLD MEANS THREE THOUSAND FIVE HUNDRED
25 DOLLARS.

26 S 25. Paragraphs 2 and 3 of subdivision (a) of section 26-504.3 of the
27 administrative code of the city of New York, as added by section 36 of
28 part B of chapter 97 of the laws of 2011, are amended to read as
29 follows:

30 2. Deregulation income threshold means total annual income equal to
31 one hundred seventy-five thousand dollars in each of the two preceding
32 calendar years for proceedings commenced before July first, two thousand
33 eleven. For proceedings commenced on or after July first, two thousand
34 eleven, the deregulation income threshold means the total annual income
35 equal to two hundred thousand dollars in each of the two preceding
36 calendar years. FOR PROCEEDINGS COMMENCED ON OR AFTER JULY FIRST, TWO
37 THOUSAND FIFTEEN, THE DEREGULATION INCOME THRESHOLD MEANS THE TOTAL
38 ANNUAL INCOME EQUAL TO TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS IN EACH
39 OF THE TWO PRECEDING CALENDAR YEARS.

40 3. Deregulation rent threshold means two thousand dollars for
41 proceedings commenced before July first, two thousand eleven. For
42 proceedings commenced on or after July first, two thousand eleven, the
43 deregulation rent threshold means two thousand five hundred dollars.
44 FOR PROCEEDINGS COMMENCED ON OR AFTER JULY FIRST, TWO THOUSAND FIFTEEN,
45 THE DEREGULATION RENT THRESHOLD MEANS THREE THOUSAND FIVE HUNDRED
46 DOLLARS.

47 S 26. Paragraph 1 of subdivision b of section 26-408 of the adminis-
48 trative code of the city of New York is amended to read as follows:

49 (1) The landlord seeks in good faith to recover possession of a hous-
50 ing accommodation because of immediate and compelling necessity for his
51 or her own personal use and occupancy AS HIS OR HER PRIMARY RESIDENCE or
52 for the use and occupancy of his or her immediate family AS THEIR PRIMA-
53 RY RESIDENCE provided, however, that this subdivision shall PERMIT
54 RECOVERY OF ONLY ONE HOUSING ACCOMMODATION AND SHALL not apply where a
55 member of the household lawfully occupying the housing accommodation is
56 sixty-two years of age or older, has been a tenant in a housing accommo-

1 dation in that building for [twenty] FIFTEEN years or more, or has an
2 impairment which results from anatomical, physiological or psychological
3 conditions, other than addiction to alcohol, gambling, or any controlled
4 substance, which are demonstrable by medically acceptable clinical and
5 laboratory diagnostic techniques, and which are expected to be permanent
6 and which prevent the tenant from engaging in any substantial gainful
7 employment; or

8 S 27. Subparagraph (b) of paragraph 9 of subdivision c of section
9 26-511 of the administrative code of the city of New York is amended to
10 read as follows:

11 (b) where he or she seeks to recover possession of one [or more]
12 dwelling [units] UNIT BECAUSE OF IMMEDIATE AND COMPELLING NECESSITY for
13 his or her own personal use and occupancy as his or her primary resi-
14 dence [in the city of New York and/or] OR for the use and occupancy of a
15 member of his or her immediate family as his or her primary residence
16 [in the city of New York], provided however, that this subparagraph
17 shall PERMIT RECOVERY OF ONLY ONE DWELLING UNIT AND SHALL not apply
18 where a tenant or the spouse of a tenant lawfully occupying the dwelling
19 unit is sixty-two years of age or older, HAS BEEN A TENANT IN A DWELLING
20 UNIT IN THAT BUILDING FOR FIFTEEN YEARS OR MORE, or has an impairment
21 which results from anatomical, physiological or psychological condi-
22 tions, other than addiction to alcohol, gambling, or any controlled
23 substance, which are demonstrable by medically acceptable clinical and
24 laboratory diagnostic techniques, and which are expected to be permanent
25 and which prevent the tenant from engaging in any substantial gainful
26 employment, unless such owner offers to provide and if requested,
27 provides an equivalent or superior housing accommodation at the same or
28 lower stabilized rent in a closely proximate area. The provisions of
29 this subparagraph shall only permit one of the individual owners of any
30 building to recover possession of one [or more] dwelling [units] UNIT
31 for his or her own personal use and/or for that of his or her immediate
32 family. [Any] A dwelling unit recovered by an owner pursuant to this
33 subparagraph shall not for a period of three years be rented, leased,
34 subleased or assigned to any person other than a person for whose bene-
35 fit recovery of the dwelling unit is permitted pursuant to this subpara-
36 graph or to the tenant in occupancy at the time of recovery under the
37 same terms as the original lease. This subparagraph shall not be deemed
38 to establish or eliminate any claim that the former tenant of the dwell-
39 ing unit may otherwise have against the owner. Any such rental, lease,
40 sublease or assignment during such period to any other person may be
41 subject to a penalty of a forfeiture of the right to any increases in
42 residential rents in such building for a period of three years; or

43 S 28. Subdivision a of section 10 of section 4 of chapter 576 of the
44 laws of 1974, constituting the emergency tenant protection act of nine-
45 teen seventy-four, as amended by chapter 234 of the laws of 1984, is
46 amended to read as follows:

47 a. For cities having a population of less than one million and towns
48 and villages, the state division of housing and community renewal shall
49 be empowered to implement this act by appropriate regulations. Such
50 regulations may encompass such speculative or manipulative practices or
51 renting or leasing practices as the state division of housing and commu-
52 nity renewal determines constitute or are likely to cause circumvention
53 of this act. Such regulations shall prohibit practices which are likely
54 to prevent any person from asserting any right or remedy granted by this
55 act, including but not limited to retaliatory termination of periodic
56 tenancies and shall require owners to grant a new one or two year vacan-

1 cy or renewal lease at the option of the tenant, except where a mortgage
2 or mortgage commitment existing as of the local effective date of this
3 act provides that the owner shall not grant a one-year lease; and shall
4 prescribe standards with respect to the terms and conditions of new and
5 renewal leases, additional rent and such related matters as security
6 deposits, advance rental payments, the use of escalator clauses in leas-
7 es and provision for increase in rentals for garages and other ancillary
8 facilities, so as to insure that the level of rent adjustments author-
9 ized under this law will not be subverted and made ineffective. Any
10 provision of the regulations permitting an owner to refuse to renew a
11 lease on grounds that the owner seeks to recover possession of [the] A
12 housing accommodation for his OR HER own use and occupancy or for the
13 use and occupancy of his OR HER immediate family shall PERMIT RECOVERY
14 OF ONLY ONE HOUSING ACCOMMODATION, SHALL require that an owner demon-
15 strate immediate and compelling need AND THAT THE HOUSING ACCOMMODATION
16 WILL BE THE PROPOSED OCCUPANTS' PRIMARY RESIDENCE and shall not apply
17 where a member of the housing accommodation is sixty-two years of age or
18 older, has been a tenant in a housing accommodation in that building for
19 [twenty] FIFTEEN years or more, or has an impairment which results from
20 anatomical, physiological or psychological conditions, other than
21 addiction to alcohol, gambling, or any controlled substance, which are
22 demonstrable by medically acceptable clinical and laboratory diagnostic
23 techniques, and which are expected to be permanent and which prevent the
24 tenant from engaging in any substantial gainful employment.

25 S 29. Paragraph (a) of subdivision 2 of section 5 of chapter 274 of
26 the laws of 1946, constituting the emergency housing rent control law,
27 as amended by chapter 234 of the laws of 1984, is amended to read as
28 follows:

29 (a) the landlord seeks in good faith to recover possession of A hous-
30 ing [accommodations] ACCOMMODATION because of immediate and compelling
31 necessity for his OR HER own personal use and occupancy AS HIS OR HER
32 PRIMARY RESIDENCE or for the use and occupancy of his OR HER immediate
33 family AS THEIR PRIMARY RESIDENCE; provided, however, this subdivision
34 shall PERMIT RECOVERY OF ONLY ONE HOUSING ACCOMMODATION AND SHALL not
35 apply where a member of the household lawfully occupying the housing
36 accommodation is sixty-two years of age or older, has been a tenant in a
37 housing accommodation in that building for [twenty] FIFTEEN years or
38 more, or has an impairment which results from anatomical, physiological
39 or psychological conditions, other than addiction to alcohol, gambling,
40 or any controlled substance, which are demonstrable by medically accept-
41 able clinical and laboratory diagnostic techniques, and which are
42 expected to be permanent and which prevent the tenant from engaging in
43 any substantial gainful employment; or

44 S 30. Paragraph 5-a of subdivision c of section 26-511 of the adminis-
45 trative code of the city of New York, as amended by section 7 of part B
46 of chapter 97 of the laws of 2011, is amended to read as follows:

47 (5-a) provides that, notwithstanding any provision of this chapter,
48 the legal regulated rent for any vacancy lease entered into after the
49 effective date of this paragraph shall be as hereinafter provided in
50 this paragraph. The previous legal regulated rent for such housing
51 accommodation shall be increased by the following: (i) if the vacancy
52 lease is for a term of two years, [twenty] SEVEN AND ONE-HALF percent of
53 the previous legal regulated rent; or (ii) if the vacancy lease is for a
54 term of one year the increase shall be [twenty] SEVEN AND ONE-HALF
55 percent of the previous legal regulated rent less an amount equal to the
56 difference between (a) the two year renewal lease guideline promulgated

1 by the guidelines board of the city of New York applied to the previous
2 legal regulated rent and (b) the one year renewal lease guideline
3 promulgated by the guidelines board of the city of New York applied to
4 the previous legal regulated rent. In addition, if the legal regulated
5 rent was not increased with respect to such housing accommodation by a
6 permanent vacancy allowance within eight years prior to a vacancy lease
7 executed on or after the effective date of this paragraph, the legal
8 regulated rent may be further increased by an amount equal to the prod-
9 uct resulting from multiplying such previous legal regulated rent by
10 six-tenths of one percent and further multiplying the amount of rent
11 increase resulting therefrom by the greater of (A) the number of years
12 since the imposition of the last permanent vacancy allowance, or (B) if
13 the rent was not increased by a permanent vacancy allowance since the
14 housing accommodation became subject to this chapter, the number of
15 years that such housing accommodation has been subject to this chapter.
16 Provided that if the previous legal regulated rent was less than three
17 hundred dollars the total increase shall be as calculated above plus one
18 hundred dollars per month. Provided, further, that if the previous legal
19 regulated rent was at least three hundred dollars and no more than five
20 hundred dollars in no event shall the total increase pursuant to this
21 paragraph be less than one hundred dollars per month. Such increase
22 shall be in lieu of any allowance authorized for the one or two year
23 renewal component thereof, but shall be in addition to any other
24 increases authorized pursuant to this chapter including an adjustment
25 based upon a major capital improvement, or a substantial modification or
26 increase of dwelling space or services, or installation of new equipment
27 or improvements or new furniture or furnishings provided in or to the
28 housing accommodation pursuant to this section. The increase authorized
29 in this paragraph may not be implemented more than one time in any
30 calendar year, notwithstanding the number of vacancy leases entered into
31 in such year.

32 S 31. Subdivision (a-1) of section 10 of section 4 of chapter 576 of
33 the laws of 1974, constituting the emergency tenant protection act of
34 nineteen seventy-four, as amended by section 8 of part B of chapter 97
35 of the laws of 2011, is amended to read as follows:

36 (a-1) provides that, notwithstanding any provision of this act, the
37 legal regulated rent for any vacancy lease entered into after the effec-
38 tive date of this subdivision shall be as hereinafter set forth. The
39 previous legal regulated rent for such housing accommodation shall be
40 increased by the following: (i) if the vacancy lease is for a term of
41 two years, [twenty] SEVEN AND ONE-HALF percent of the previous legal
42 regulated rent; or (ii) if the vacancy lease is for a term of one year
43 the increase shall be [twenty] SEVEN AND ONE-HALF percent of the previ-
44 ous legal regulated rent less an amount equal to the difference between
45 (a) the two year renewal lease guideline promulgated by the guidelines
46 board of the county in which the housing accommodation is located
47 applied to the previous legal regulated rent and (b) the one year
48 renewal lease guideline promulgated by the guidelines board of the coun-
49 ty in which the housing accommodation is located applied to the previous
50 legal regulated rent. In addition, if the legal regulated rent was not
51 increased with respect to such housing accommodation by a permanent
52 vacancy allowance within eight years prior to a vacancy lease executed
53 on or after the effective date of this subdivision, the legal regulated
54 rent may be further increased by an amount equal to the product result-
55 ing from multiplying such previous legal regulated rent by six-tenths of
56 one percent and further multiplying the amount of rent increase result-

1 ing therefrom by the greater of (A) the number of years since the im-
2 position of the last permanent vacancy allowance, or (B) if the rent was
3 not increased by a permanent vacancy allowance since the housing accom-
4 modation became subject to this act, the number of years that such hous-
5 ing accommodation has been subject to this act. Provided that if the
6 previous legal regulated rent was less than three hundred dollars the
7 total increase shall be as calculated above plus one hundred dollars per
8 month. Provided, further, that if the previous legal regulated rent was
9 at least three hundred dollars and no more than five hundred dollars in
10 no event shall the total increase pursuant to this subdivision be less
11 than one hundred dollars per month. Such increase shall be in lieu of
12 any allowance authorized for the one or two year renewal component ther-
13 eof, but shall be in addition to any other increases authorized pursuant
14 to this act including an adjustment based upon a major capital improve-
15 ment, or a substantial modification or increase of dwelling space or
16 services, or installation of new equipment or improvements or new furni-
17 ture or furnishings provided in or to the housing accommodation pursuant
18 to section six of this act. The increase authorized in this subdivision
19 may not be implemented more than one time in any calendar year, notwith-
20 standing the number of vacancy leases entered into in such year.

21 S 32. Subdivision a of section 26-504 of the administrative code of
22 the city of New York, subparagraph (f) of paragraph 1 as amended by
23 chapter 422 of the laws of 2010, is amended to read as follows:

24 a. Class A multiple dwellings not owned as a cooperative or as a
25 condominium, except as provided in section three hundred fifty-two-eeee
26 of the general business law, containing six or more dwelling units
27 which: (1) were completed after February first, nineteen hundred
28 forty-seven, except dwelling units (a) owned or leased by, or financed
29 by loans from, a public agency or public benefit corporation, (b)
30 subject to rent regulation under the private housing finance law or any
31 other state law, (c) aided by government insurance under any provision
32 of the national housing act, to the extent this chapter or any regu-
33 lation or order issued thereunder is inconsistent therewith, or (d)
34 located in a building for which a certificate of occupancy is obtained
35 after March tenth, nineteen hundred sixty-nine[;], or (e) any class A
36 multiple dwelling which on June first, nineteen hundred sixty-eight was
37 and still is commonly regarded as a hotel, transient hotel or residen-
38 tial hotel, and which customarily provides hotel service such as maid
39 service, furnishing and laundering of linen, telephone and bell boy
40 service, secretarial or desk service and use and upkeep of furniture and
41 fixtures, or (f) not occupied by the tenant, not including subtenants or
42 occupants, as his or her primary residence, as determined by a court of
43 competent jurisdiction, provided, however that no action or proceeding
44 shall be commenced seeking to recover possession on the ground that a
45 housing accommodation is not occupied by the tenant as his or her prima-
46 ry residence unless the owner or lessor shall have given thirty days
47 notice to the tenant of his or her intention to commence such action or
48 proceeding on such grounds. For the purposes of determining primary
49 residency, a tenant who is a victim of domestic violence, as defined in
50 section four hundred fifty-nine-a of the social services law, who has
51 left the unit because of such violence, and who asserts an intent to
52 return to the housing accommodation shall be deemed to be occupying the
53 unit as his or her primary residence. For the purposes of this subpara-
54 graph where a housing accommodation is rented to a not-for-profit hospi-
55 tal for residential use, affiliated subtenants authorized to use such
56 accommodations by such hospital shall be deemed to be tenants, or (g)

1 became vacant on or after June thirtieth, nineteen hundred seventy-one,
2 or become vacant, provided however, that this exemption shall not apply
3 or become effective with respect to housing accommodations which the
4 commissioner determines or finds became vacant because the landlord or
5 any person acting on his or her behalf, with intent to cause the tenant
6 to vacate, engaged in any course of conduct (including but not limited
7 to, interruption or discontinuance of essential services) which inter-
8 fered with or disturbed or was intended to interfere with or disturb the
9 comfort, repose, peace or quiet of the tenant in his or her use or occu-
10 pancy of the housing accommodations and provided further that any hous-
11 ing accommodations exempted by this paragraph shall be subject to this
12 law to the extent provided in subdivision b of this section; or (2) were
13 decontrolled by the city rent agency pursuant to section 26-414 of this
14 title; or (3) are exempt from control by virtue of [item] CLAUSE one,
15 two, six or seven of subparagraph (i) of paragraph two of subdivision e
16 of section 26-403 of this title; OR (4) WERE COVERED BY A PROJECT BASED
17 ASSISTANCE CONTRACT PURSUANT TO SECTION EIGHT OF THE UNITED STATES HOUS-
18 ING ACT OF 1937 WHICH CONTRACT IS NO LONGER IN EFFECT, NOTWITHSTANDING
19 THE PROVISIONS OF SUBPARAGRAPH (D) OR (G) OF PARAGRAPH ONE OF THIS
20 SUBDIVISION OR PARAGRAPH FIVE OF SUBDIVISION A OF SECTION FIVE OF THE
21 EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR BUT SUBJECT TO
22 ANY OTHER APPLICABLE EXCEPTIONS IN PARAGRAPH ONE OF THIS SUBDIVISION OR
23 SUBDIVISION (A) OF SECTION FIVE OF THE EMERGENCY TENANT PROTECTION ACT
24 OF NINETEEN SEVENTY-FOUR, PROVIDED HOWEVER, THAT ANY DWELLING UNIT WHICH
25 BECOMES SUBJECT TO THIS LAW PURSUANT TO THIS PARAGRAPH SHALL NOT BE
26 SUBJECT TO THE PROVISIONS OF SUBDIVISION A OF SECTION 26-513 OF THIS
27 CHAPTER; and

28 S 33. Section 5 of section 4 of chapter 576 of the laws of 1974
29 constituting the emergency tenant protection act of nineteen seventy-
30 four is amended by adding a new subdivision c to read as follows:

31 C. NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH FIVE OF SUBDIVISION A
32 OF THIS SECTION BUT SUBJECT TO ANY OTHER APPLICABLE EXCEPTIONS IN SUCH
33 SUBDIVISION, NOTHING SHALL PREVENT THE DECLARATION OF AN EMERGENCY
34 PURSUANT TO SECTION THREE OF THIS ACT FOR RENTAL HOUSING ACCOMMODATIONS
35 LOCATED IN A BUILDING WHICH WAS COVERED BY A PROJECT BASED ASSISTANCE
36 CONTRACT PURSUANT TO SECTION EIGHT OF THE UNITED STATES HOUSING ACT OF
37 1937 WHICH CONTRACT IS NO LONGER IN EFFECT PROVIDED HOWEVER, THAT ANY
38 HOUSING ACCOMMODATION WHICH BECOMES SUBJECT TO THIS ACT PURSUANT TO THIS
39 SUBDIVISION SHALL NOT BE SUBJECT TO THE PROVISIONS OF SUBDIVISION A OF
40 SECTION NINE OF THIS ACT.

41 S 34. Subparagraph (g) of paragraph 1 of subdivision g of section
42 26-405 of the administrative code of the city of New York, as amended by
43 chapter 749 of the laws of 1990, is amended to read as follows:

44 (g) (I) COLLECTION OF SURCHARGES TO THE MAXIMUM RENT AUTHORIZED PURSU-
45 ANT TO ITEM (II) OF THIS SUBPARAGRAPH SHALL CEASE WHEN THE OWNER HAS
46 RECOVERED THE COST OF THE MAJOR CAPITAL IMPROVEMENT;

47 (II) There has been since July first, nineteen hundred seventy, a
48 major capital improvement [required for the operation, preservation or
49 maintenance of the structure. An adjustment under this subparagraph (g)
50 shall be in an amount sufficient to amortize the cost of the improve-
51 ments pursuant to this subparagraph (g) over a seven-year period];
52 PROVIDED THAT THE COMMISSIONER FIRST FINDS THAT SUCH IMPROVEMENTS ARE
53 DEEMED DEPRECIABLE UNDER THE INTERNAL REVENUE CODE AND SUCH IMPROVEMENTS
54 ARE REQUIRED FOR THE OPERATION OR PRESERVATION OF THE STRUCTURE. NO
55 APPLICATION FOR A MAJOR CAPITAL IMPROVEMENT RENT INCREASE MAY BE
56 APPROVED IF THERE EXIST ANY OUTSTANDING HAZARDOUS VIOLATIONS AT THE TIME

1 OF THE CONSIDERATION OF SUCH APPLICATION, AS DETERMINED PURSUANT TO
2 REGULATIONS OF THE DIVISION OF HOUSING AND COMMUNITY RENEWAL OR ANY
3 AGENCY ADMINISTERING AND ENFORCING A BUILDING CODE IN THE JURISDICTION
4 IN WHICH THE PROPERTY IS LOCATED, UNLESS IT IS DETERMINED BY THE DIVI-
5 SION OF HOUSING AND COMMUNITY RENEWAL THAT SUCH WORK IS ESSENTIAL TO THE
6 ALLEVIATION OF THE VIOLATIONS AND SUCH APPROVAL IS CONSISTENT WITH THE
7 PROVISIONS OF THIS SECTION. EXCEPT IN THE CASE OF EMERGENCY OR GOOD
8 CAUSE, THE OWNER OF THE PROPERTY SHALL FILE, NOT LESS THAN THIRTY DAYS
9 BEFORE THE COMMENCEMENT OF THE IMPROVEMENT, WITH THE DIVISION OF HOUSING
10 AND COMMUNITY RENEWAL A STATEMENT CONTAINING INFORMATION OUTLINING THE
11 SCOPE OF WORK, EXPECTED DATE OF COMPLETION FOR SUCH WORK AND AN AFFIDA-
12 VIT SETTING FORTH THE FOLLOWING INFORMATION: (A) EVERY OWNER OF RECORD
13 AND OWNER OF A SUBSTANTIAL INTEREST IN THE PROPERTY OR ENTITY OWNING THE
14 PROPERTY OR SPONSORING THE IMPROVEMENT; AND (B) A STATEMENT THAT NONE OF
15 SUCH PERSONS HAD, WITHIN THE FIVE YEARS PRIOR TO THE IMPROVEMENT, BEEN
16 FOUND TO HAVE HARASSED OR UNLAWFULLY EVICTED TENANTS BY JUDGMENT OR
17 DETERMINATION OF A COURT OR AGENCY UNDER THE PENAL LAW, ANY STATE OR
18 LOCAL LAW REGULATING RENTS OR ANY STATE OR LOCAL LAW RELATING TO HARASS-
19 MENT OF TENANTS OR UNLAWFUL EVICTION. UPON RECEIPT OF THE SCOPE OF WORK
20 AND AFFIDAVIT PROVIDED FOR HEREIN, THE DIVISION OF HOUSING AND COMMUNITY
21 RENEWAL SHALL PROVIDE THE TENANTS IN OCCUPANCY IN SUCH BUILDINGS WITH
22 SUCH INFORMATION. THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL,
23 IN ADDITION, IMPLEMENT PROCEDURES INCLUDING, BUT NOT LIMITED TO, ELICIT-
24 ING TENANT COMMENTS TO DETERMINE WHETHER MAJOR CAPITAL IMPROVEMENT REHA-
25 BILITATION WORK HAS BEEN SATISFACTORILY COMPLETED. NO MAJOR CAPITAL
26 IMPROVEMENT RENT INCREASE SHALL BECOME EFFECTIVE UNTIL ANY DEFECTIVE OR
27 DEFICIENT REHABILITATION WORK HAS BEEN CURED. THE INCREASE PERMITTED FOR
28 SUCH CAPITAL IMPROVEMENT SHALL BE COLLECTED AS A MONTHLY SURCHARGE TO
29 THE MAXIMUM RENT. IT SHALL BE SEPARATELY DESIGNATED AND BILLED AS SUCH
30 AND SHALL NOT BE COMPOUNDED BY ANY OTHER ADJUSTMENT TO THE MAXIMUM RENT.
31 THE SURCHARGE ALLOCABLE TO EACH APARTMENT SHALL BE AN AMOUNT EQUAL TO
32 THE COST OF THE IMPROVEMENT DIVIDED BY EIGHTY-FOUR, DIVIDED BY THE
33 NUMBER OF ROOMS IN THE BUILDING, AND THEN MULTIPLIED BY THE NUMBER OF
34 ROOMS IN SUCH APARTMENT; PROVIDED THAT THE SURCHARGE ALLOCABLE TO ANY
35 APARTMENT IN ANY ONE YEAR MAY NOT EXCEED AN AMOUNT EQUAL TO SIX PERCENT
36 OF THE MONTHLY RENT COLLECTED BY THE OWNER FOR SUCH APARTMENT AS SET
37 FORTH IN THE SCHEDULE OF GROSS RENTS. ANY EXCESS ABOVE SAID SIX PERCENT
38 SHALL BE CARRIED FORWARD AND COLLECTED IN FUTURE YEARS AS A FURTHER
39 SURCHARGE NOT TO EXCEED AN ADDITIONAL SIX PERCENT IN ANY ONE YEAR PERIOD
40 UNTIL THE TOTAL SURCHARGE EQUALS THE AMOUNT IT WOULD HAVE BEEN IF THE
41 AFOREMENTIONED SIX PERCENT LIMITATION DID NOT APPLY. NOTWITHSTANDING ANY
42 LAW TO THE CONTRARY, WHEN CALCULATING A SURCHARGE, THE COST OF THE
43 IMPROVEMENT SHALL BE REDUCED BY ANY MONEYS PROVIDED BY THE NEW YORK
44 STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY; or

45 S 35. Subparagraph (k) of paragraph 1 of subdivision g of section
46 26-405 of the administrative code of the city of New York, as amended by
47 chapter 749 of the laws of 1990, is amended to read as follows:

48 (k) The landlord has incurred, since January first, nineteen hundred
49 seventy, in connection with and in addition to a concurrent major capi-
50 tal improvement pursuant to subparagraph (g) of this paragraph, other
51 expenditures to improve, restore or preserve the quality of the struc-
52 ture. An adjustment under this subparagraph shall be granted only if
53 such improvements represent an expenditure equal to at least ten per
54 centum of the total operating and maintenance expenses for the preceding
55 year. An adjustment under this subparagraph shall be in addition to any
56 adjustment granted for the concurrent major capital improvement and

1 shall be [in an amount sufficient to amortize the cost of the improve-
2 ments pursuant to this subparagraph over a seven-year period] IMPL-
3 MENTED IN THE SAME MANNER AS SUCH MAJOR CAPITAL IMPROVEMENT AS A FURTHER
4 SURCHARGE TO THE MAXIMUM RENT.

5 S 36. Paragraph 6 of subdivision c of section 26-511 of the adminis-
6 trative code of the city of New York, as amended by chapter 116 of the
7 laws of 1997, is amended to read as follows:

8 (6) provides criteria whereby the commissioner may act upon applica-
9 tions by owners for increases in excess of the level of fair rent
10 increase established under this law provided, however, that such crite-
11 ria shall provide [(a) as] IN REGARD to hardship applications, for a
12 finding that the level of fair rent increase is not sufficient to enable
13 the owner to maintain approximately the same average annual net income
14 (which shall be computed without regard to debt service, financing costs
15 or management fees) for the three year period ending on or within six
16 months of the date of an application pursuant to such criteria as
17 compared with annual net income, which prevailed on the average over the
18 period nineteen hundred sixty-eight through nineteen hundred seventy, or
19 for the first three years of operation if the building was completed
20 since nineteen hundred sixty-eight or for the first three fiscal years
21 after a transfer of title to a new owner provided the new owner can
22 establish to the satisfaction of the commissioner that he or she
23 acquired title to the building as a result of a bona fide sale of the
24 entire building and that the new owner is unable to obtain requisite
25 records for the fiscal years nineteen hundred sixty-eight through nine-
26 teen hundred seventy despite diligent efforts to obtain same from prede-
27 cessors in title and further provided that the new owner can provide
28 financial data covering a minimum of six years under his or her contin-
29 uous and uninterrupted operation of the building to meet the three year
30 to three year comparative test periods herein provided[; and (b) as to
31 completed building-wide major capital improvements, for a finding that
32 such improvements are deemed depreciable under the Internal Revenue Code
33 and that the cost is to be amortized over a seven-year period, based
34 upon cash purchase price exclusive of interest or service charges].
35 Notwithstanding anything to the contrary contained herein, no hardship
36 increase granted pursuant to this paragraph shall, when added to the
37 annual gross rents, as determined by the commissioner, exceed the sum
38 of, (i) the annual operating expenses, (ii) an allowance for management
39 services as determined by the commissioner, (iii) actual annual mortgage
40 debt service (interest and amortization) on its indebtedness to a lend-
41 ing institution, an insurance company, a retirement fund or welfare fund
42 which is operated under the supervision of the banking or insurance laws
43 of the state of New York or the United States, and (iv) eight and one-
44 half percent of that portion of the fair market value of the property
45 which exceeds the unpaid principal amount of the mortgage indebtedness
46 referred to in subparagraph (iii) of this paragraph. Fair market value
47 for the purposes of this paragraph shall be six times the annual gross
48 rent. The collection of any increase in the stabilized rent for any
49 apartment pursuant to this paragraph shall not exceed six percent in any
50 year from the effective date of the order granting the increase over the
51 rent set forth in the schedule of gross rents, with collectability of
52 any dollar excess above said sum to be spread forward in similar incre-
53 ments and added to the stabilized rent as established or set in future
54 years;

1 S 37. Subdivision c of section 26-511 of the administrative code of
2 the city of New York is amended by adding four new paragraphs 6-b, 6-c,
3 6-d and 6-e to read as follows:

4 (6-B) PROVIDES CRITERIA WHEREBY THE COMMISSIONER MAY ACT UPON APPLICA-
5 TION BY OWNERS FOR INCREASES IN EXCESS OF THE LEVEL OF FAIR RENT
6 INCREASE ESTABLISHED UNDER THIS LAW PROVIDED, HOWEVER, THAT SUCH CRITE-
7 RIA SHALL PROVIDE THAT:

8 (I) AS TO COMPLETED BUILDING-WIDE MAJOR CAPITAL IMPROVEMENTS, FIRST,
9 THAT A FINDING THAT SUCH IMPROVEMENTS ARE DEEMED DEPRECIABLE UNDER THE
10 INTERNAL REVENUE CODE AND SUCH IMPROVEMENTS ARE REQUIRED FOR THE OPERA-
11 TION OR PRESERVATION OF THE STRUCTURE;

12 (II) NO APPLICATION FOR A MAJOR CAPITAL IMPROVEMENT RENT INCREASE MAY
13 BE APPROVED IF THERE EXIST ANY OUTSTANDING HAZARDOUS VIOLATIONS AT THE
14 TIME OF THE CONSIDERATION OF SUCH APPLICATION, AS DETERMINED PURSUANT TO
15 REGULATIONS OF THE DIVISION OF HOUSING AND COMMUNITY RENEWAL OR ANY
16 AGENCY ADMINISTERING AND ENFORCING A BUILDING CODE IN THE JURISDICTION
17 IN WHICH THE PROPERTY IS LOCATED, UNLESS IT IS DETERMINED BY THE DIVI-
18 SION OF HOUSING AND COMMUNITY RENEWAL THAT SUCH WORK IS ESSENTIAL TO THE
19 ALLEVIATION OF THE VIOLATIONS AND SUCH APPROVAL IS CONSISTENT WITH THE
20 PROVISIONS OF THIS SECTION. EXCEPT IN THE CASE OF EMERGENCY OR GOOD
21 CAUSE, THE OWNER OF THE PROPERTY SHALL FILE, NOT LESS THAN THIRTY DAYS
22 BEFORE THE COMMENCEMENT OF THE IMPROVEMENT, WITH THE DIVISION OF HOUSING
23 AND COMMUNITY RENEWAL A STATEMENT CONTAINING INFORMATION OUTLINING THE
24 SCOPE OF WORK, EXPECTED DATE OF COMPLETION FOR SUCH WORK AND AN AFFIDA-
25 VIT SETTING FORTH THE FOLLOWING INFORMATION:

26 (A) EVERY OWNER OF RECORD AND OWNER OF A SUBSTANTIAL INTEREST IN THE
27 PROPERTY OR ENTITY OWNING THE PROPERTY OR SPONSORING THE IMPROVEMENT;
28 AND

29 (B) A STATEMENT THAT NONE OF SUCH PERSONS HAD, WITHIN THE FIVE YEARS
30 PRIOR TO THE IMPROVEMENT, BEEN FOUND TO HAVE HARASSED OR UNLAWFULLY
31 EVICTED TENANTS BY JUDGMENT OR DETERMINATION OF A COURT OR AGENCY UNDER
32 THE PENAL LAW, ANY STATE OR LOCAL LAW REGULATING RENTS OR ANY STATE OR
33 LOCAL LAW RELATING TO HARASSMENT OF TENANTS OR UNLAWFUL EVICTION.

34 UPON RECEIPT OF THE SCOPE OF WORK AND AFFIDAVIT PROVIDED FOR HEREIN,
35 THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL PROVIDE THE TENANTS
36 IN OCCUPANCY IN SUCH BUILDINGS WITH SUCH INFORMATION. THE DIVISION OF
37 HOUSING AND COMMUNITY RENEWAL SHALL, IN ADDITION, IMPLEMENT PROCEDURES
38 INCLUDING, BUT NOT LIMITED TO, ELICITING TENANT COMMENTS TO DETERMINE
39 WHETHER MAJOR CAPITAL IMPROVEMENT REHABILITATION WORK HAS BEEN SATISFAC-
40 TORILY COMPLETED. NO MAJOR CAPITAL IMPROVEMENT RENT INCREASE SHALL
41 BECOME EFFECTIVE UNTIL ANY DEFECTIVE OR DEFICIENT REHABILITATION WORK
42 HAS BEEN CURED.

43 (6-C) THE INCREASE PERMITTED FOR SUCH CAPITAL IMPROVEMENT SHALL BE
44 COLLECTED AS A MONTHLY SURCHARGE TO THE LEGAL REGULATED RENT. IT SHALL
45 BE SEPARATELY DESIGNATED AND BILLED AS SUCH AND SHALL NOT BE COMPOUNDED
46 BY ANY ANNUAL ADJUSTMENT OF THE LEVEL OF FAIR RENT PROVIDED FOR UNDER
47 SUBDIVISION B OF SECTION 26-510 OF THIS LAW. THE SURCHARGE ALLOCABLE TO
48 EACH APARTMENT SHALL BE AN AMOUNT EQUAL TO THE COST OF THE IMPROVEMENT
49 DIVIDED BY EIGHTY-FOUR DIVIDED BY THE NUMBER OF ROOMS IN THE BUILDING,
50 AND THEN MULTIPLIED BY THE NUMBER OF ROOMS IN SUCH APARTMENT; PROVIDED
51 THAT THE SURCHARGE ALLOCABLE TO ANY APARTMENT, IN ANY ONE YEAR MAY NOT
52 EXCEED AN AMOUNT EQUAL TO SIX PERCENT OF THE MONTHLY RENT COLLECTED BY
53 THE OWNER FOR SUCH APARTMENT AS SET FORTH IN THE SCHEDULE OF GROSS
54 RENTS. ANY EXCESS ABOVE SAID SIX PERCENT SHALL BE CARRIED FORWARD AND
55 COLLECTED IN FUTURE YEARS AS A FURTHER SURCHARGE NOT TO EXCEED AN ADDI-
56 TIONAL SIX PERCENT IN ANY ONE YEAR PERIOD UNTIL THE TOTAL SURCHARGE

1 EQUALS THE AMOUNT IT WOULD HAVE BEEN IF THE AFOREMENTIONED SIX PERCENT
2 LIMITATION DID NOT APPLY.

3 (6-D) COLLECTION OF SURCHARGES IN EXCESS OF THE LEVEL OF FAIR RENT
4 AUTHORIZED PURSUANT TO PARAGRAPH SIX-B AND SIX-C OF THIS SUBDIVISION
5 SHALL CEASE WHEN THE OWNER HAS RECOVERED THE COST OF THE MAJOR CAPITAL
6 IMPROVEMENT.

7 (6-E) NOTWITHSTANDING ANY LAW TO THE CONTRARY, WHEN CALCULATING A
8 SURCHARGE, THE COST OF THE IMPROVEMENT SHALL BE REDUCED BY ANY MONEYS
9 PROVIDED BY THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORI-
10 TY.

11 S 38. Paragraph 3 of subdivision d of section 6 of section 4 of chap-
12 ter 576 of the laws of 1974, constituting the emergency tenant
13 protection act of nineteen seventy-four, as amended by chapter 749 of
14 the laws of 1990, is amended to read as follows:

15 (3) (I) COLLECTION OF SURCHARGES IN ADDITION TO THE LEGAL REGULATED
16 RENT AUTHORIZED PURSUANT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL
17 CEASE WHEN THE OWNER HAS RECOVERED THE COST OF THE MAJOR CAPITAL
18 IMPROVEMENT;

19 (II) there has been since January first, nineteen hundred seventy-four
20 a major capital improvement [required for the operation, preservation or
21 maintenance of the structure. An adjustment under this paragraph shall
22 be in an amount sufficient to amortize the cost of the improvements
23 pursuant to this paragraph over a seven-year period]; PROVIDED THAT THE
24 COMMISSIONER FIRST FINDS THAT SUCH IMPROVEMENTS ARE DEEMED DEPRECIABLE
25 UNDER THE INTERNAL REVENUE CODE AND SUCH IMPROVEMENTS ARE REQUIRED FOR
26 THE OPERATION OR PRESERVATION OF THE STRUCTURE. NO APPLICATION FOR A
27 MAJOR CAPITAL IMPROVEMENT RENT INCREASE MAY BE APPROVED IF THERE EXIST
28 ANY OUTSTANDING HAZARDOUS VIOLATIONS AT THE TIME OF THE CONSIDERATION OF
29 SUCH APPLICATION, AS DETERMINED PURSUANT TO REGULATIONS OF THE DIVISION
30 OF HOUSING AND COMMUNITY RENEWAL OR ANY AGENCY ADMINISTERING AND ENFORC-
31 ING A BUILDING CODE IN THE JURISDICTION IN WHICH THE PROPERTY IS
32 LOCATED, UNLESS IT IS DETERMINED BY THE DIVISION OF HOUSING AND COMMUNI-
33 TY RENEWAL THAT SUCH WORK IS ESSENTIAL TO THE ALLEVIATION OF THE
34 VIOLATIONS AND SUCH APPROVAL IS CONSISTENT WITH THE PROVISIONS OF THIS
35 SECTION. EXCEPT IN THE CASE OF EMERGENCY OR GOOD CAUSE, THE OWNER OF THE
36 PROPERTY SHALL FILE, NOT LESS THAN THIRTY DAYS BEFORE THE COMMENCEMENT
37 OF THE IMPROVEMENT, WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL A
38 STATEMENT CONTAINING INFORMATION OUTLINING THE SCOPE OF WORK, EXPECTED
39 DATE OF COMPLETION FOR SUCH WORK AND AN AFFIDAVIT SETTING FORTH THE
40 FOLLOWING INFORMATION: (A) EVERY OWNER OF RECORD AND OWNER OF A SUBSTAN-
41 TIAL INTEREST IN THE PROPERTY OR ENTITY OWNING THE PROPERTY OR SPONSOR-
42 ING THE IMPROVEMENT; AND (B) A STATEMENT THAT NONE OF SUCH PERSONS HAD,
43 WITHIN THE FIVE YEARS PRIOR TO THE IMPROVEMENT, BEEN FOUND TO HAVE
44 HARASSED OR UNLAWFULLY EVICTED TENANTS BY JUDGMENT OR DETERMINATION OF A
45 COURT OR AGENCY UNDER THE PENAL LAW, ANY STATE OR LOCAL LAW REGULATING
46 RENTS OR ANY STATE OR LOCAL LAW RELATING TO HARASSMENT OF TENANTS OR
47 UNLAWFUL EVICTION. UPON RECEIPT OF THE SCOPE OF WORK AND AFFIDAVIT
48 PROVIDED FOR HEREIN, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL
49 PROVIDE THE TENANTS IN OCCUPANCY IN SUCH BUILDINGS WITH SUCH INFORMA-
50 TION. THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL, IN ADDITION,
51 IMPLEMENT PROCEDURES INCLUDING, BUT NOT LIMITED TO, ELICITING TENANT
52 COMMENTS TO DETERMINE WHETHER MAJOR CAPITAL IMPROVEMENT REHABILITATION
53 WORK HAS BEEN SATISFACTORILY COMPLETED. NO MAJOR CAPITAL IMPROVEMENT
54 RENT INCREASE SHALL BECOME EFFECTIVE UNTIL ANY DEFECTIVE OR DEFICIENT
55 REHABILITATION WORK HAS BEEN CURED. THE INCREASE PERMITTED FOR SUCH
56 CAPITAL IMPROVEMENT SHALL BE COLLECTED AS A MONTHLY SURCHARGE TO THE

1 LEGAL REGULATED RENT. IT SHALL BE SEPARATELY DESIGNATED AND BILLED AS
2 SUCH AND SHALL NOT BE COMPOUNDED BY ANY ANNUAL RENT ADJUSTMENT AUTHOR-
3 IZED BY THE RENT GUIDELINES BOARD UNDER THIS ACT. THE SURCHARGE ALLOCA-
4 BLE TO EACH APARTMENT SHALL BE AN AMOUNT EQUAL TO THE COST OF THE
5 IMPROVEMENT DIVIDED BY EIGHTY-FOUR, DIVIDED BY THE NUMBER OF ROOMS IN
6 THE BUILDING, AND THEN MULTIPLIED BY THE NUMBER OF ROOMS IN SUCH APART-
7 MENT; PROVIDED THAT THE SURCHARGE ALLOCABLE TO ANY APARTMENT IN ANY ONE
8 YEAR MAY NOT EXCEED AN AMOUNT EQUAL TO SIX PERCENT OF THE MONTHLY RENT
9 COLLECTED BY THE OWNER FOR SUCH APARTMENT AS SET FORTH IN THE SCHEDULE
10 OF GROSS RENTS. ANY EXCESS ABOVE SAID SIX PERCENT SHALL BE CARRIED
11 FORWARD AND COLLECTED IN FUTURE YEARS AS A FURTHER SURCHARGE NOT TO
12 EXCEED AN ADDITIONAL SIX PERCENT IN ANY ONE YEAR PERIOD UNTIL THE TOTAL
13 SURCHARGE EQUALS THE AMOUNT IT WOULD HAVE BEEN IF THE AFOREMENTIONED SIX
14 PERCENT LIMITATION DID NOT APPLY. NOTWITHSTANDING ANY LAW TO THE CONTRA-
15 RY, WHEN CALCULATING A SURCHARGE, THE COST OF THE IMPROVEMENT SHALL BE
16 REDUCED BY ANY MONEYS PROVIDED BY THE NEW YORK STATE ENERGY RESEARCH AND
17 DEVELOPMENT AUTHORITY, or

18 S 39. The second undesignated paragraph of paragraph (a) of subdivi-
19 sion 4 of section 4 of chapter 274 of the laws of 1946, constituting the
20 emergency housing rent control law, as amended by section 25 of part B
21 of chapter 97 of the laws of 2011, is amended to read as follows:

22 No application for adjustment of maximum rent based upon a sales price
23 valuation shall be filed by the landlord under this subparagraph prior
24 to six months from the date of such sale of the property. In addition,
25 no adjustment ordered by the commission based upon such sales price
26 valuation shall be effective prior to one year from the date of such
27 sale. Where, however, the assessed valuation of the land exceeds four
28 times the assessed valuation of the buildings thereon, the commission
29 may determine a valuation of the property equal to five times the equal-
30 ized assessed valuation of the buildings, for the purposes of this
31 subparagraph. The commission may make a determination that the valuation
32 of the property is an amount different from such equalized assessed
33 valuation where there is a request for a reduction in such assessed
34 valuation currently pending; or where there has been a reduction in the
35 assessed valuation for the year next preceding the effective date of the
36 current assessed valuation in effect at the time of the filing of the
37 application. Net annual return shall be the amount by which the earned
38 income exceeds the operating expenses of the property, excluding mort-
39 gage interest and amortization, and excluding allowances for obsoles-
40 cence and reserves, but including an allowance for depreciation of two
41 per centum of the value of the buildings exclusive of the land, or the
42 amount shown for depreciation of the buildings in the latest required
43 federal income tax return, whichever is lower; provided, however, that
44 (1) no allowance for depreciation of the buildings shall be included
45 where the buildings have been fully depreciated for federal income tax
46 purposes or on the books of the owner; or (2) the landlord who owns no
47 more than four rental units within the state has not been fully compen-
48 sated by increases in rental income sufficient to offset unavoidable
49 increases in property taxes, fuel, utilities, insurance and repairs and
50 maintenance, excluding mortgage interest and amortization, and excluding
51 allowances for depreciation, obsolescence and reserves, which have
52 occurred since the federal date determining the maximum rent or the date
53 the property was acquired by the present owner, whichever is later; or
54 (3) the landlord operates a hotel or rooming house or owns a cooperative
55 apartment and has not been fully compensated by increases in rental
56 income from the controlled housing accommodations sufficient to offset

1 unavoidable increases in property taxes and other costs as are allocable
2 to such controlled housing accommodations, including costs of operation
3 of such hotel or rooming house, but excluding mortgage interest and
4 amortization, and excluding allowances for depreciation, obsolescence
5 and reserves, which have occurred since the federal date determining the
6 maximum rent or the date the landlord commenced the operation of the
7 property, whichever is later; or (4) the landlord and tenant voluntarily
8 enter into a valid written lease in good faith with respect to any hous-
9 ing accommodation, which lease provides for an increase in the maximum
10 rent not in excess of fifteen per centum and for a term of not less than
11 two years, except that where such lease provides for an increase in
12 excess of fifteen per centum, the increase shall be automatically
13 reduced to fifteen per centum; or (5) the landlord and tenant by mutual
14 voluntary written agreement agree to a substantial increase or decrease
15 in dwelling space or a change in the services, furniture, furnishings or
16 equipment provided in the housing accommodations; provided that an owner
17 shall be entitled to a rent increase where there has been a substantial
18 modification or increase of dwelling space or an increase in the
19 services, or installation of new equipment or improvements or new furni-
20 ture or furnishings provided in or to a tenant's housing accommodation.
21 AN ADJUSTMENT AUTHORIZED PURSUANT TO THIS CLAUSE SHALL BE COLLECTED AS A
22 MONTHLY SURCHARGE TO THE MAXIMUM RENT. IT SHALL BE SEPARATELY DESIGNATED
23 AND BILLED AS SUCH AND SHALL NOT BE COMPOUNDED BY ANY OTHER ADJUSTMENT
24 TO THE MAXIMUM RENT. The permanent increase in the maximum rent for the
25 affected housing accommodation shall be [one-fortieth, in the case of a
26 building with thirty-five or fewer housing accommodations, or, in the
27 case of a building with more than thirty-five housing accommodations
28 where such permanent increase takes effect on or after September twen-
29 ty-fourth, two thousand eleven,] ONE EIGHTY-FOURTH of the total cost
30 incurred by the landlord in providing such modification or increase in
31 dwelling space, services, furniture, furnishings or equipment, including
32 the cost of installation, but excluding finance charges AND COSMETIC
33 IMPROVEMENTS provided further that an owner who is entitled to a rent
34 increase pursuant to this clause shall not be entitled to a further rent
35 increase based upon the installation of similar equipment, or new furni-
36 ture or furnishings within the useful life of such new equipment, or new
37 furniture or furnishings. The owner shall give written notice to the
38 commission of any such adjustment pursuant to this clause; or (6) there
39 has been, since March first, nineteen hundred fifty, an increase in the
40 rental value of the housing accommodations as a result of a substantial
41 rehabilitation of the building or housing accommodation therein which
42 materially adds to the value of the property or appreciably prolongs its
43 life, excluding ordinary repairs, maintenance and replacements; or (7)
44 (I) COLLECTION OF SURCHARGES TO THE MAXIMUM RENT AUTHORIZED PURSUANT TO
45 ITEM (II) OF THIS CLAUSE SHALL CEASE WHEN THE OWNER HAS RECOVERED THE
46 COST OF THE MAJOR CAPITAL IMPROVEMENT; (II) there has been since March
47 first, nineteen hundred fifty, a major capital improvement [required for
48 the operation, preservation or maintenance of the structure]; PROVIDED
49 THAT THE COMMISSIONER FIRST FINDS THAT SUCH IMPROVEMENTS ARE DEEMED
50 DEPRECIABLE UNDER THE INTERNAL REVENUE CODE AND SUCH IMPROVEMENTS ARE
51 REQUIRED FOR THE OPERATION OR PRESERVATION OF THE STRUCTURE. NO APPLI-
52 CATION FOR A MAJOR CAPITAL IMPROVEMENT RENT INCREASE MAY BE APPROVED IF
53 THERE EXIST ANY OUTSTANDING HAZARDOUS VIOLATIONS AT THE TIME OF THE
54 CONSIDERATION OF SUCH APPLICATION, AS DETERMINED PURSUANT TO REGULATIONS
55 OF THE DIVISION OF HOUSING AND COMMUNITY RENEWAL OR ANY AGENCY ADMINIS-
56 TERING AND ENFORCING A BUILDING CODE IN THE JURISDICTION IN WHICH THE

1 PROPERTY IS LOCATED, UNLESS IT IS DETERMINED BY THE DIVISION OF HOUSING
2 AND COMMUNITY RENEWAL THAT SUCH WORK IS ESSENTIAL TO THE ALLEVIATION OF
3 THE VIOLATIONS AND SUCH APPROVAL IS CONSISTENT WITH THE PROVISIONS OF
4 THIS SECTION. EXCEPT IN THE CASE OF EMERGENCY OR GOOD CAUSE, THE OWNER
5 OF THE PROPERTY SHALL FILE, NOT LESS THAN THIRTY DAYS BEFORE THE
6 COMMENCEMENT OF THE IMPROVEMENT, WITH THE DIVISION OF HOUSING AND COMMU-
7 NITY RENEWAL A STATEMENT CONTAINING INFORMATION OUTLINING THE SCOPE OF
8 WORK, EXPECTED DATE OF COMPLETION FOR SUCH WORK AND AN AFFIDAVIT SETTING
9 FORTH THE FOLLOWING INFORMATION: (A) EVERY OWNER OF RECORD AND OWNER OF
10 A SUBSTANTIAL INTEREST IN THE PROPERTY OR ENTITY OWNING THE PROPERTY OR
11 SPONSORING THE IMPROVEMENT; AND (B) A STATEMENT THAT NONE OF SUCH
12 PERSONS HAD, WITHIN THE FIVE YEARS PRIOR TO THE IMPROVEMENT, BEEN FOUND
13 TO HAVE HARASSED OR UNLAWFULLY EVICTED TENANTS BY JUDGMENT OR DETERMI-
14 NATION OF A COURT OR AGENCY UNDER THE PENAL LAW, ANY STATE OR LOCAL LAW
15 REGULATING RENTS OR ANY STATE OR LOCAL LAW RELATING TO HARASSMENT OF
16 TENANTS OR UNLAWFUL EVICTION. UPON RECEIPT OF THE SCOPE OF WORK AND
17 AFFIDAVIT PROVIDED FOR HEREIN, THE DIVISION OF HOUSING AND COMMUNITY
18 RENEWAL SHALL PROVIDE THE TENANTS IN OCCUPANCY IN SUCH BUILDINGS WITH
19 SUCH INFORMATION. THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL,
20 IN ADDITION, IMPLEMENT PROCEDURES INCLUDING, BUT NOT LIMITED TO, ELICIT-
21 ING TENANT COMMENTS TO DETERMINE WHETHER MAJOR CAPITAL IMPROVEMENT REHA-
22 BILITATION WORK HAS BEEN SATISFACTORILY COMPLETED. NO MAJOR CAPITAL
23 IMPROVEMENT RENT INCREASE SHALL BECOME EFFECTIVE UNTIL ANY DEFECTIVE OR
24 DEFICIENT REHABILITATION WORK HAS BEEN CURED. THE INCREASE PERMITTED FOR
25 SUCH CAPITAL IMPROVEMENT SHALL BE COLLECTED AS A MONTHLY SURCHARGE TO
26 THE MAXIMUM RENT. IT SHALL BE SEPARATELY DESIGNATED AND BILLED AS SUCH
27 AND SHALL NOT BE COMPOUNDED BY ANY OTHER ADJUSTMENT TO THE MAXIMUM RENT.
28 THE SURCHARGE ALLOCABLE TO EACH APARTMENT SHALL BE AN AMOUNT EQUAL TO
29 THE COST OF THE IMPROVEMENT DIVIDED BY EIGHTY-FOUR, DIVIDED BY THE
30 NUMBER OF ROOMS IN THE BUILDING, AND THEN MULTIPLIED BY THE NUMBER OF
31 ROOMS IN SUCH APARTMENT; PROVIDED THAT THE SURCHARGE ALLOCABLE TO ANY
32 APARTMENT IN ANY ONE YEAR MAY NOT EXCEED AN AMOUNT EQUAL TO SIX PERCENT
33 OF THE MONTHLY RENT COLLECTED BY THE OWNER FOR SUCH APARTMENT AS SET
34 FORTH IN THE SCHEDULE OF GROSS RENTS. ANY EXCESS ABOVE SAID SIX PERCENT
35 SHALL BE CARRIED FORWARD AND COLLECTED IN FUTURE YEARS AS A FURTHER
36 SURCHARGE NOT TO EXCEED AN ADDITIONAL SIX PERCENT IN ANY ONE YEAR PERIOD
37 UNTIL THE TOTAL SURCHARGE EQUALS THE AMOUNT IT WOULD HAVE BEEN IF THE
38 AFOREMENTIONED SIX PERCENT LIMITATION DID NOT APPLY. NOTWITHSTANDING ANY
39 LAW TO THE CONTRARY, WHEN CALCULATING A SURCHARGE, THE COST OF THE
40 IMPROVEMENT SHALL BE REDUCED BY ANY MONEYS PROVIDED BY THE NEW YORK
41 STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY; or (8) there has been
42 since March first, nineteen hundred fifty, in structures containing more
43 than four housing accommodations, other improvements made with the
44 express consent of the tenants in occupancy of at least seventy-five per
45 centum of the housing accommodations, provided, however, that no adjust-
46 ment granted hereunder shall exceed fifteen per centum unless the
47 tenants have agreed to a higher percentage of increase, as herein
48 provided; or (9) there has been, since March first, nineteen hundred
49 fifty, a subletting without written consent from the landlord or an
50 increase in the number of adult occupants who are not members of the
51 immediate family of the tenant, and the landlord has not been compen-
52 sated therefor by adjustment of the maximum rent by lease or order of
53 the commission or pursuant to the federal act; or (10) the presence of
54 unique or peculiar circumstances materially affecting the maximum rent
55 has resulted in a maximum rent which is substantially lower than the

rents generally prevailing in the same area for substantially similar housing accommodations.

S 40. Subdivision dd of section 11-243 of the administrative code of the city of New York, as added by local law number 41 of the city of New York for the year 1988, is amended to read as follows:

dd. [Partial waiver] WAIVER of rent adjustments attributable to major capital improvements. (1) The provisions of this subdivision apply to and are additional requirements for claiming or receiving any tax abatement under this section, except as provided in paragraphs three and four of this subdivision.

(2) The owner of the property shall file with the department of housing preservation and development, on the date any application for benefits is made, a declaration stating that in consideration of any tax abatement benefits which may be received pursuant to such application for alterations or improvements constituting a major capital improvement, such owner agrees to waive the collection of a [portion of the total annual amount of any] rent adjustment attributable to such major capital improvement which may be granted by the New York state division of housing and community renewal pursuant to the rent stabilization code equal to [one-half of] the total annual amount of the tax abatement benefits which the property receives pursuant to such application with respect to such alterations or improvements. Such waiver shall commence on the date of the first collection of such rent adjustment, provided that, in the event that such tax abatement benefits were received prior to such first collection, the amount waived shall be increased to account for such tax abatement benefits so received. Following the expiration of a tax abatement for alterations or improvements constituting a major capital improvement for which a rent adjustment has been granted by such division, the owner may collect the full amount of annual rent permitted pursuant to such rent adjustment. A copy of such declaration shall be filed simultaneously with the New York state division of housing and community renewal. Such declaration shall be binding upon such owner, and his or her successors and assigns.

(3) The provisions of this subdivision shall not apply to substantial rehabilitation of buildings vacant when alterations or improvements are commenced or to buildings rehabilitated with the substantial assistance of city, state or federal subsidies.

(4) The provisions of this subdivision shall apply only to alterations and improvements commenced after its effective date.

S 41. Subparagraph (e) of paragraph 1 of subdivision g of section 26-405 of the administrative code of the city of New York, as amended by section 15 of part B of chapter 97 of the laws of 2011, is amended to read as follows:

(e) The landlord and tenant by mutual voluntary written agreement agree to a substantial increase or decrease in dwelling space or a change in the services, furniture, furnishings or equipment provided in the housing accommodations. AN ADJUSTMENT AUTHORIZED PURSUANT TO THIS SUBPARAGRAPH SHALL BE COLLECTED AS A MONTHLY SURCHARGE TO THE MAXIMUM RENT. IT SHALL BE SEPARATELY DESIGNATED AND BILLED AS SUCH AND SHALL NOT BE COMPOUNDED BY ANY OTHER ADJUSTMENT TO THE MAXIMUM RENT. An adjustment under this subparagraph shall be equal to [one-fortieth, in the case of a building with thirty-five or fewer housing accommodations, or one-sixtieth, in the case of a building with more than thirty-five housing accommodations where such adjustment takes effect on or after September twenty-fourth, two thousand eleven,] ONE EIGHTY-FOURTH of the total cost incurred by the landlord in providing such modification or increase in

1 dwelling space, services, furniture, furnishings or equipment, including
2 the cost of installation, but excluding finance charges AND COSMETIC
3 IMPROVEMENTS, provided further that an owner who is entitled to a rent
4 increase pursuant to this subparagraph shall not be entitled to a
5 further rent increase based upon the installation of similar equipment,
6 or new furniture or furnishings within the useful life of such new
7 equipment, or new furniture or furnishings. The owner shall give written
8 notice to the city rent agency of any such adjustment pursuant to this
9 subparagraph; or

10 S 42. Subdivision g of section 26-405 of the administrative code of
11 the city of New York is amended by adding a new paragraph 8 to read as
12 follows:

13 (8) (A) WITHIN ONE HUNDRED TWENTY DAYS OF THE EFFECTIVE DATE OF THIS
14 PARAGRAPH, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE A
15 SCHEDULE OF REASONABLE COSTS FOR UPGRADES AND IMPROVEMENTS THAT MAY BE
16 CLAIMED AS A BASIS FOR AN ADJUSTMENT OF RENT PURSUANT TO SUBPARAGRAPH
17 (E) OF PARAGRAPH ONE OF THIS SUBDIVISION. THE SCHEDULE OF REASONABLE
18 COSTS SHALL EXCLUDE COSMETIC IMPROVEMENTS. THE SCHEDULE OF REASONABLE
19 COSTS SHALL BE BASED ON THE AVERAGE COSTS FOR SIMILAR UPGRADES OR
20 IMPROVEMENTS MADE TO COMPARABLE PROPERTIES LOCATED IN EACH COUNTY,
21 SUBJECT TO THE PROVISIONS OF THIS CHAPTER, AND SHALL BE UPDATED AT LEAST
22 ONCE EVERY TWO YEARS. NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER
23 SUBPARAGRAPH (E) OF PARAGRAPH ONE OF THIS SUBDIVISION BASED UPON COSTS
24 THAT EXCEED THE REASONABLE COSTS SET FORTH IN THE SCHEDULE, UNLESS
25 APPROVED BY THE DIVISION PURSUANT TO SUBPARAGRAPH (B) OF THIS PARAGRAPH.

26 (B) WITHIN THIRTY DAYS OF THE SIGNING OF A MUTUAL VOLUNTARY WRITTEN
27 AGREEMENT INCLUDING A RENT INCREASE PURSUANT TO SUBPARAGRAPH (E) OF
28 PARAGRAPH ONE OF THIS SUBDIVISION THAT INCLUDES IMPROVEMENTS THAT EXCEED
29 THE SCHEDULE OF REASONABLE COSTS PURSUANT TO SUBPARAGRAPH (A) OF THIS
30 PARAGRAPH, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND
31 COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS COMPUTED, AND ALL
32 DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUD-
33 ING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS
34 CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY
35 INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS
36 PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE LAND-
37 LORD, AND AFTER GIVING THE TENANT AN OPPORTUNITY TO RESPOND, THE DIVI-
38 SION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN ORDER APPROVING OR
39 DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART.

40 (C) WITHIN THIRTY DAYS OF THE SIGNING OF A MUTUAL VOLUNTARY WRITTEN
41 AGREEMENT INCLUDING A RENT INCREASE THAT EXCEEDS TEN PERCENT OF THE
42 MAXIMUM COLLECTIBLE RENT, THE LANDLORD WILL FILE WITH THE DIVISION OF
43 HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS
44 COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH
45 INCREASE, INCLUDING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND
46 SIGNED CONTRACTS CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A
47 STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE
48 WITH ADJUSTMENTS PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS
49 SUBMITTED BY THE OWNER, AND AFTER GIVING THE TENANT AN OPPORTUNITY TO
50 RESPOND, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN
51 ORDER APPROVING OR DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART. BASED
52 UPON SUCH DETERMINATION, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL
53 SHALL ORDER A REFUND TO THE TENANT EQUAL TO THE AMOUNT COLLECTED IN
54 EXCESS OF THE RENT APPROVED BY THE DIVISION OF HOUSING AND COMMUNITY
55 RENEWAL.

(D) NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER SUBPARAGRAPH (E) OF PARAGRAPH ONE OF THIS SUBDIVISION UNTIL:

(1) THE LANDLORD HAS PROVIDED THE TENANT WITH A WRITTEN NOTICE, INCLUDING AN EXPLANATION OF HOW THE RENT IN THE MUTUAL VOLUNTARY WRITTEN AGREEMENT HAS BEEN COMPUTED, AND THE SPECIFIC AMOUNTS OF ALL EXPENDITURES SUPPORTING A RENT INCREASE UNDER SUBPARAGRAPH (E) OF PARAGRAPH ONE OF THIS SUBDIVISION; AND

(2) THE LANDLORD HAS FILED WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUDING, BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS ENTERED INTO CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED, AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW.

(E) NO INCREASE SHALL BE COLLECTIBLE UNDER SUBPARAGRAPH (E) OF PARAGRAPH ONE OF THIS SUBDIVISION WHERE THE DIVISION OF HOUSING AND COMMUNITY RENEWAL HAS DETERMINED THAT THE OWNER IS NOT MAINTAINING ALL BUILDING-WIDE REQUIRED SERVICES OR ALL REQUIRED SERVICES WITH RESPECT TO THE AFFECTED HOUSING ACCOMMODATION, OR WHERE THERE ARE CURRENT OR OUTSTANDING HAZARDOUS VIOLATIONS OF ANY MUNICIPAL, COUNTY, STATE OR FEDERAL LAW WHICH RELATE TO THE MAINTENANCE OF SUCH SERVICES.

S 43. Paragraph 13 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 16 of part B of chapter 97 of the laws of 2011, 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 an increase in the services, or installation of new equipment or improvements or new furniture or furnishings provided in or to a tenant's housing accommodation, on written tenant consent to the rent increase. In the case of a vacant housing accommodation, tenant consent shall not be required.

(A) AN ADJUSTMENT AUTHORIZED PURSUANT TO THIS SUBPARAGRAPH SHALL BE COLLECTED AS A MONTHLY SURCHARGE TO THE MAXIMUM RENT. IT SHALL BE SEPARATELY DESIGNATED AND BILLED AS SUCH AND SHALL NOT BE COMPOUNDED BY ANY OTHER ADJUSTMENT TO THE MAXIMUM RENT. The permanent increase in the legal regulated rent for the affected housing accommodation shall be [one-fortieth, in the case of a building with thirty-five or fewer housing accommodations, or one-sixtieth, in the case of a building with more than thirty-five housing accommodations where such permanent increase takes effect on or after September twenty-fourth, two thousand eleven,] ONE EIGHTY-FOURTH of the total cost incurred by the landlord in providing such modification or increase in dwelling space, services, furniture, furnishings or equipment, including the cost of installation, but excluding finance charges AND COSMETIC IMPROVEMENTS.

(B) 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.

S 44. Subdivision c of section 26-511 of the administrative code of the city of New York is amended by adding a new paragraph 15 to read as follows:

(15) (A) WITHIN ONE HUNDRED TWENTY DAYS OF THE EFFECTIVE DATE OF THIS PARAGRAPH, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE A SCHEDULE OF REASONABLE COSTS FOR UPGRADES AND IMPROVEMENTS THAT MAY BE CLAIMED AS A BASIS FOR AN ADJUSTMENT OF RENT PURSUANT TO PARAGRAPH THIR-

TEEN OF THIS SUBDIVISION. THE SCHEDULE OF REASONABLE COSTS SHALL EXCLUDE COSMETIC IMPROVEMENTS. THE SCHEDULE OF REASONABLE COSTS SHALL BE BASED ON THE AVERAGE COSTS FOR SIMILAR UPGRADES OR IMPROVEMENTS MADE TO COMPARABLE PROPERTIES LOCATED IN EACH COUNTY, SUBJECT TO THE PROVISIONS OF THIS CHAPTER, AND SHALL BE UPDATED AT LEAST ONCE EVERY TWO YEARS. NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER PARAGRAPH THIRTEEN OF THIS SUBDIVISION BASED UPON COSTS THAT EXCEED THE REASONABLE COSTS SET FORTH IN THE SCHEDULE, UNLESS APPROVED BY THE DIVISION PURSUANT TO SUBPARAGRAPH (B) OF THIS PARAGRAPH.

(B) WITHIN THIRTY DAYS OF THE SIGNING OF A VACANCY LEASE INCLUDING A RENT INCREASE PURSUANT TO PARAGRAPH THIRTEEN OF THIS SUBDIVISION THAT INCLUDES IMPROVEMENTS THAT EXCEED THE SCHEDULE OF REASONABLE COSTS PURSUANT TO SUBPARAGRAPH (A) OF THIS PARAGRAPH, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE VACANCY RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUDING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE LANDLORD, AND AFTER GIVING THE TENANT NAMED IN THE VACANCY LEASE AN OPPORTUNITY TO RESPOND, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN ORDER APPROVING OR DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART.

(C) WITHIN THIRTY DAYS OF THE SIGNING OF A VACANCY LEASE INCLUDING A RENT INCREASE THAT EXCEEDS TEN PERCENT OF THE RENT CHARGED TO THE PREVIOUS TENANT, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUDING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE OWNER, AND AFTER GIVING THE TENANT NAMED IN SUCH VACANCY LEASE AN OPPORTUNITY TO RESPOND, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN ORDER APPROVING OR DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART. BASED UPON SUCH DETERMINATION, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ORDER A REFUND TO THE TENANT EQUAL TO THE AMOUNT COLLECTED IN EXCESS OF THE RENT APPROVED BY THE DIVISION OF HOUSING AND COMMUNITY RENEWAL.

(D) NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER PARAGRAPH THIRTEEN OF THIS SUBDIVISION UNTIL:

(I) THE LANDLORD HAS PROVIDED THE TENANT WITH A WRITTEN NOTICE, INCLUDING AN EXPLANATION OF HOW THE RENT IN THE VACANCY LEASE HAS BEEN COMPUTED, AND THE SPECIFIC AMOUNTS OF ALL EXPENDITURES SUPPORTING A RENT INCREASE UNDER PARAGRAPH THIRTEEN OF THIS SUBDIVISION; AND

(II) THE LANDLORD HAS FILED WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE VACANCY RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUDING, BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS ENTERED INTO CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED, AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW.

(E) NO INCREASE SHALL BE COLLECTIBLE UNDER PARAGRAPH THIRTEEN OF THIS SUBDIVISION WHERE THE DIVISION OF HOUSING AND COMMUNITY RENEWAL HAS DETERMINED THAT THE OWNER IS NOT MAINTAINING ALL BUILDING-WIDE REQUIRED SERVICES OR ALL REQUIRED SERVICES WITH RESPECT TO THE AFFECTED HOUSING

1 ACCOMMODATION, OR WHERE THERE ARE CURRENT OR OUTSTANDING HAZARDOUS
2 VIOLATIONS OF ANY MUNICIPAL, COUNTY, STATE OR FEDERAL LAW WHICH RELATE
3 TO THE MAINTENANCE OF SUCH SERVICES.

4 S 45. Paragraph 1 of subdivision d of section 6 of section 4 of chap-
5 ter 576 of the laws of 1974, constituting the emergency tenant
6 protection act of nineteen seventy-four, as amended by section 18 of
7 part B of chapter 97 of the laws of 2011, is amended to read as follows:

8 (1) there has been a substantial modification or increase of dwelling
9 space or an increase in the services, or installation of new equipment
10 or improvements or new furniture or furnishings, provided in or to a
11 tenant's housing accommodation, on written tenant consent to the rent
12 increase. In the case of a vacant housing accommodation, tenant consent
13 shall not be required.

14 (A) AN ADJUSTMENT AUTHORIZED PURSUANT TO THIS SUBPARAGRAPH SHALL BE
15 COLLECTED AS A MONTHLY SURCHARGE TO THE MAXIMUM RENT. IT SHALL BE SEPA-
16 RATELY DESIGNATED AND BILLED AS SUCH AND SHALL NOT BE COMPOUNDED BY ANY
17 OTHER ADJUSTMENT TO THE MAXIMUM RENT. The permanent increase in the
18 legal regulated rent for the affected housing accommodation shall be
19 [one-fortieth, in the case of a building with thirty-five or fewer hous-
20 ing accommodations, or one-sixtieth, in the case of a building with more
21 than thirty-five housing accommodations where such permanent increase
22 takes effect on or after September twenty-fourth, two thousand eleven,]
23 ONE EIGHTY-FOURTH of the total cost incurred by the landlord in provid-
24 ing such modification or increase in dwelling space, services, furni-
25 ture, furnishings or equipment, including the cost of installation, but
26 excluding finance charges AND COSMETIC IMPROVEMENTS.

27 (B) Provided further that an owner who is entitled to a rent increase
28 pursuant to this paragraph shall not be entitled to a further rent
29 increase based upon the installation of similar equipment, or new furni-
30 ture or furnishings within the useful life of such new equipment, or new
31 furniture or furnishings.

32 (C) THE OWNER SHALL GIVE WRITTEN NOTICE TO THE DIVISION OF HOUSING AND
33 COMMUNITY RENEWAL AND THE TENANT NAMED IN A VACANCY LEASE ON FORMS
34 PRESCRIBED BY THE DIVISION OF ANY SUCH ADJUSTMENT PURSUANT TO THIS PARA-
35 GRAPH AND THE FAILURE TO PROVIDE SUCH WRITTEN NOTICE AS PROVIDED HEREIN
36 SHALL PRECLUDE THE COLLECTION OF ANY SUCH ADJUSTMENT. SUCH NOTICE MUST
37 INCLUDE A DETAILED BREAKDOWN OF THE NATURE AND COST OF ANY IMPROVEMENTS
38 UNDERLYING AN INCREASE IN RENT UNDER THIS PARAGRAPH AND A STATEMENT THAT
39 ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS
40 PERMITTED BY LAW. THE OWNER SHALL FILE WITH THE DIVISION OF HOUSING AND
41 COMMUNITY RENEWAL ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF
42 SUCH INCREASE, INCLUDING, BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES
43 AND SIGNED CONTRACTS ENTERED INTO CONTEMPORANEOUSLY WITH THE IMPROVE-
44 MENTS ALLEGED.

45 S 46. Subdivision d of section 6 of section 4 of chapter 576 of the
46 laws of 1974, constituting the emergency tenant protection act of nine-
47 teen seventy-four, is amended by adding a new paragraph 6 to read as
48 follows:

49 (6) (A) WITHIN ONE HUNDRED TWENTY DAYS OF THE EFFECTIVE DATE OF THIS
50 PARAGRAPH, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE A
51 SCHEDULE OF REASONABLE COSTS FOR UPGRADES AND IMPROVEMENTS THAT MAY BE
52 CLAIMED AS A BASIS FOR AN ADJUSTMENT OF RENT PURSUANT TO PARAGRAPH ONE
53 OF THIS SUBDIVISION. THE SCHEDULE OF REASONABLE COSTS SHALL EXCLUDE
54 COSMETIC IMPROVEMENTS. THE SCHEDULE OF REASONABLE COSTS SHALL BE BASED
55 ON THE AVERAGE COSTS FOR SIMILAR UPGRADES OR IMPROVEMENTS MADE TO COMPA-
56 RABLE PROPERTIES LOCATED IN EACH COUNTY, SUBJECT TO THE PROVISIONS OF

THIS ACT, AND SHALL BE UPDATED AT LEAST ONCE EVERY TWO YEARS. NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER PARAGRAPH ONE OF THIS SUBDIVISION BASED UPON COSTS THAT EXCEED THE REASONABLE COSTS SET FORTH IN THE SCHEDULE, UNLESS APPROVED BY THE DIVISION PURSUANT TO SUBPARAGRAPH (B) OF THIS PARAGRAPH.

(B) WITHIN THIRTY DAYS OF THE SIGNING OF A VACANCY LEASE INCLUDING A RENT INCREASE PURSUANT TO PARAGRAPH ONE OF THIS SUBDIVISION THAT INCLUDES IMPROVEMENTS THAT EXCEED THE SCHEDULE OF REASONABLE COSTS PURSUANT TO SUBPARAGRAPH (A) OF THIS PARAGRAPH, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE VACANCY RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUDING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE LANDLORD, AND AFTER GIVING THE TENANT NAMED IN THE VACANCY LEASE AN OPPORTUNITY TO RESPOND, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN ORDER APPROVING OR DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART.

(C) WITHIN THIRTY DAYS OF THE SIGNING OF A VACANCY LEASE INCLUDING A RENT INCREASE THAT EXCEEDS TEN PERCENT OF THE RENT CHARGED TO THE PREVIOUS TENANT, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUDING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE OWNER, AND AFTER GIVING THE TENANT NAMED IN SUCH VACANCY LEASE AN OPPORTUNITY TO RESPOND, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN ORDER APPROVING OR DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART. BASED UPON SUCH DETERMINATION, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ORDER A REFUND TO THE TENANT EQUAL TO THE AMOUNT COLLECTED IN EXCESS OF THE RENT APPROVED BY THE DIVISION OF HOUSING AND COMMUNITY RENEWAL.

(D) NO INCREASE SHALL BE COLLECTIBLE UNDER PARAGRAPH ONE OF THIS SUBDIVISION WHERE THE DIVISION OF HOUSING AND COMMUNITY RENEWAL HAS DETERMINED THAT THE OWNER IS NOT MAINTAINING ALL BUILDING-WIDE REQUIRED SERVICES OR ALL REQUIRED SERVICES WITH RESPECT TO THE AFFECTED HOUSING ACCOMMODATION, OR WHERE THERE ARE CURRENT OR OUTSTANDING HAZARDOUS VIOLATIONS OF ANY MUNICIPAL, COUNTY, STATE OR FEDERAL LAW WHICH RELATE TO THE MAINTENANCE OF SUCH SERVICES.

S 47. Paragraph 6-a of subdivision c of section 26-511 of the administrative code of the city of New York is amended to read as follows:

(6-a) provides criteria whereby as an alternative to the hardship application provided under paragraph six of this subdivision owners of buildings acquired by the same owner or a related entity owned by the same principals [three] SIX years prior to the date of application may apply to the division for increases in excess of the level of applicable guideline increases established under this law based on a finding by the commissioner that such guideline increases are not sufficient to enable the owner to maintain an annual gross rent income for such building which exceeds the annual operating expenses of such building by a sum equal to at least five percent of such gross rent. For the purposes of this paragraph, operating expenses shall consist of the actual, reasonable, costs of fuel, labor, utilities, taxes, other than income or

1 corporate franchise taxes, fees, permits, necessary contracted services
2 and non-capital repairs, insurance, parts and supplies, management fees
3 and other administrative costs and mortgage interest. For the purposes
4 of this paragraph, mortgage interest shall be deemed to mean interest on
5 a bona fide mortgage including an allocable portion of charges related
6 thereto. Criteria to be considered in determining a bona fide mortgage
7 other than an institutional mortgage shall include; condition of the
8 property, location of the property, the existing mortgage market at the
9 time the mortgage is placed, the term of the mortgage, the amortization
10 rate, the principal amount of the mortgage, security and other terms and
11 conditions of the mortgage. The commissioner shall set a rental value
12 for any unit occupied by the owner or a person related to the owner or
13 unoccupied at the owner's choice for more than one month at the last
14 regulated rent plus the minimum number of guidelines increases or, if no
15 such regulated rent existed or is known, the commissioner shall impute a
16 rent consistent with other rents in the building. The amount of hardship
17 increase shall be such as may be required to maintain the annual gross
18 rent income as provided by this paragraph. The division shall not grant
19 a hardship application under this paragraph or paragraph six of this
20 subdivision for a period of three years subsequent to granting a hard-
21 ship application under the provisions of this paragraph. The collection
22 of any increase in the rent for any housing accommodation pursuant to
23 this paragraph shall not exceed six percent in any year from the effec-
24 tive date of the order granting the increase over the rent set forth in
25 the schedule of gross rents, with collectability of any dollar excess
26 above said sum to be spread forward in similar increments and added to
27 the rent as established or set in future years. No application shall be
28 approved unless the owner's equity in such building exceeds five percent
29 of: (i) the arms length purchase price of the property; (ii) the cost of
30 any capital improvements for which the owner has not collected a
31 surcharge; (iii) any repayment of principal of any mortgage or loan used
32 to finance the purchase of the property or any capital improvements for
33 which the owner has not collected a surcharge and (iv) any increase in
34 the equalized assessed value of the property which occurred subsequent
35 to the first valuation of the property after purchase by the owner. For
36 the purposes of this paragraph, owner's equity shall mean the sum of (i)
37 the purchase price of the property less the principal of any mortgage or
38 loan used to finance the purchase of the property, (ii) the cost of any
39 capital improvement for which the owner has not collected a surcharge
40 less the principal of any mortgage or loan used to finance said improve-
41 ment, (iii) any repayment of the principal of any mortgage or loan used
42 to finance the purchase of the property or any capital improvement for
43 which the owner has not collected a surcharge, and (iv) any increase in
44 the equalized assessed value of the property which occurred subsequent
45 to the first valuation of the property after purchase by the owner.

46 S 48. Paragraph 5 of subdivision d of section 6 of section 4 of chap-
47 ter 576 of the laws of 1974 enacting the emergency tenant protection act
48 of nineteen seventy-four, as amended by chapter 102 of the laws of 1984,
49 is amended to read as follows:

50 (5) as an alternative to the hardship application provided under para-
51 graph four of this subdivision, owners of buildings acquired by the same
52 owner or a related entity owned by the same principals [three] SIX years
53 prior to the date of application may apply to the division for increases
54 in excess of the level of applicable guideline increases established
55 under this law based on a finding by the commissioner that such guide-
56 line increases are not sufficient to enable the owner to maintain an

1 annual gross rent income for such building which exceeds the annual
2 operating expenses of such building by a sum equal to at least five
3 percent of such gross rent. For the purposes of this paragraph, operat-
4 ing expenses shall consist of the actual, reasonable, costs of fuel,
5 labor, utilities, taxes, other than income or corporate franchise taxes,
6 fees, permits, necessary contracted services and non-capital repairs,
7 insurance, parts and supplies, management fees and other administrative
8 costs and mortgage interest. For the purposes of this paragraph, mort-
9 gage interest shall be deemed to mean interest on a bona fide mortgage
10 including an allocable portion of charges related thereto. Criteria to
11 be considered in determining a bona fide mortgage other than an institu-
12 tional mortgage shall include; condition of the property, location of
13 the property, the existing mortgage market at the time the mortgage is
14 placed, the term of the mortgage, the amortization rate, the principal
15 amount of the mortgage, security and other terms and conditions of the
16 mortgage. The commissioner shall set a rental value for any unit occu-
17 pied by the owner or a person related to the owner or unoccupied at the
18 owner's choice for more than one month at the last regulated rent plus
19 the minimum number of guidelines increases or, if no such regulated rent
20 existed or is known, the commissioner shall impute a rent consistent
21 with other rents in the building. The amount of hardship increase shall
22 be such as may be required to maintain the annual gross rent income as
23 provided by this paragraph. The division shall not grant a hardship
24 application under this paragraph or paragraph four of this subdivision
25 for a period of three years subsequent to granting a hardship applica-
26 tion under the provisions of this paragraph. The collection of any
27 increase in the rent for any housing accommodation pursuant to this
28 paragraph shall not exceed six percent in any year from the effective
29 date of the order granting the increase over the rent set forth in the
30 schedule of gross rents, with collectability of any dollar excess above
31 said sum to be spread forward in similar increments and added to the
32 rent as established or set in future years. No application shall be
33 approved unless the owner's equity in such building exceeds five percent
34 of: (i) the arms length purchase price of the property; (ii) the cost of
35 any capital improvements for which the owner has not collected a
36 surcharge; (iii) any repayment of principal of any mortgage or loan used
37 to finance the purchase of the property or any capital improvements for
38 which the owner has not collected a surcharge; and (iv) any increase in
39 the equalized assessed value of the property which occurred subsequent
40 to the first valuation of the property after purchase by the owner. For
41 the purposes of this paragraph, owner's equity shall mean the sum of (i)
42 the purchase price of the property less the principal of any mortgage or
43 loan used to finance the purchase of the property, (ii) the cost of any
44 capital improvement for which the owner has not collected a surcharge
45 less the principal of any mortgage or loan used to finance said improve-
46 ment, (iii) any repayment of the principal of any mortgage or loan used
47 to finance the purchase of the property or any capital improvement for
48 which the owner has not collected a surcharge, and (iv) any increase in
49 the equalized assessed value of the property which occurred subsequent
50 to the first valuation of the property after purchase by the owner.

51 S 49. Section 5 of section 4 of chapter 576 of the laws of 1974,
52 constituting the emergency tenant protection act of nineteen seventy-
53 four, is amended by adding a new subdivision d to read as follows:

54 D. NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH THREE OR FIVE OF SUBDI-
55 VISION A OF THIS SECTION BUT SUBJECT TO ANY OTHER APPLICABLE EXCEPTIONS
56 IN SUCH SUBDIVISION, RENTAL HOUSING ACCOMMODATIONS LOCATED IN BUILDINGS

1 WHICH WERE OWNED BY A COMPANY ESTABLISHED UNDER ARTICLE 2 OF THE PRIVATE
2 HOUSING FINANCE LAW, OTHER THAN A MUTUAL COMPANY, THAT VOLUNTARILY
3 DISSOLVED PURSUANT TO SECTION 35 OF SUCH LAW SHALL BE FULLY SUBJECT TO
4 THE PROVISIONS OF THIS ACT. THE PROVISION OF SUBDIVISION A OF SECTION
5 NINE OF THIS ACT SHALL NOT APPLY TO ANY HOUSING ACCOMMODATION WHICH
6 BECAME SUBJECT TO THIS ACT PURSUANT TO THIS SUBDIVISION.

7 S 50. Paragraph 2 of subdivision a of section 26-516 of the adminis-
8 trative code of the city of New York is amended by adding two new
9 subparagraphs (iii) and (iv) to read as follows:

10 (III) FAILURE OF AN OWNER TO COMPLY WITH AN ORDER ISSUED UNDER THE
11 PROVISIONS OF THIS TITLE SHALL CONSTITUTE A CONTINUING VIOLATION TO BE
12 INCLUDED IN THE RENTAL HISTORY OF THE HOUSING ACCOMMODATION IRRESPECTIVE
13 OF WHETHER SUCH VIOLATION OCCURRED OUTSIDE OF THE FOUR YEAR PERIOD
14 PRECEDING THE FILING OF SUCH COMPLAINT AND PROVIDED FURTHER, THAT FAIL-
15 URE TO COMPLY WITH AN ORDER ISSUED UNDER THIS ARTICLE SHALL BE IMPUTED
16 TO ANY SUCCESSOR IN INTEREST OF THE HOUSING ACCOMMODATION, PROVIDED SUCH
17 PERSON OR PERSONS HAS ACTUAL NOTICE OF SUCH VIOLATION. (IV) ANY
18 COMPLAINT BASED ON FRAUD SHALL BE REVIEWED BY THE STATE DIVISION OF
19 HOUSING AND COMMUNITY RENEWAL IRRESPECTIVE OF WHETHER SUCH FRAUD
20 OCCURRED OUTSIDE OF THE FOUR YEAR PERIOD PRECEDING THE FILING OF SUCH
21 COMPLAINT.

22 S 51. Subdivision a of section 12 of section 4 of chapter 576 of the
23 laws of 1974 constituting the emergency tenant protection act of nine-
24 teen seventy-four is amended by adding two new paragraphs 9 and 10, to
25 read as follows:

26 (9) FAILURE OF AN OWNER TO COMPLY WITH AN ORDER ISSUED UNDER THE
27 PROVISIONS OF THIS TITLE SHALL CONSTITUTE A CONTINUING VIOLATION TO BE
28 INCLUDED IN THE RENTAL HISTORY OF THE HOUSING ACCOMMODATION IRRESPECTIVE
29 OF WHETHER SUCH VIOLATION OCCURRED OUTSIDE OF THE FOUR YEAR PERIOD
30 PRECEDING THE FILING OF SUCH COMPLAINT AND PROVIDED FURTHER, THAT FAIL-
31 URE TO COMPLY WITH AN ORDER ISSUED UNDER THIS ARTICLE SHALL BE IMPUTED
32 TO ANY SUCCESSOR IN INTEREST OF THE HOUSING ACCOMMODATION, PROVIDED SUCH
33 PERSON OR PERSONS HAS ACTUAL NOTICE OF SUCH VIOLATION.

34 (10) ANY COMPLAINT BASED ON FRAUD SHALL BE REVIEWED BY THE STATE DIVI-
35 SION OF HOUSING AND COMMUNITY RENEWAL IRRESPECTIVE OF WHETHER SUCH FRAUD
36 OCCURRED OUTSIDE OF THE FOUR YEAR PERIOD PRECEDING THE FILING OF SUCH
37 COMPLAINT.

38 S 52. Subdivision a of section 26-516 of the administrative code of
39 the city of New York is amended by adding a new clause (iii) to read as
40 follows:

41 (III) NOTWITHSTANDING THE PROVISIONS OF CLAUSE (I) OF THIS PARAGRAPH,
42 FOR ANY YEAR IN WHICH AN OWNER OR A LANDLORD WHO IS REQUIRED TO FILE AN
43 ANNUAL RENT REGISTRATION STATEMENT, HAS FAILED TO TIMELY FILE SUCH ANNU-
44 AL RENT REGISTRATION STATEMENT, THE DIVISION OR A COURT OF COMPETENT
45 JURISDICTION SHALL CONSIDER SUCH YEAR OR YEARS WHEN DETERMINING THE
46 CURRENT LEGAL REGULATED RENT.

47 S 53. Section 26-512 of the administrative code of the city of New
48 York is amended by adding a new subdivision g to read as follows:

49 G. UPON THE OFFERING OF A LEASE TO A PROSPECTIVE TENANT, AN OWNER OR A
50 LANDLORD SHALL BE REQUIRED TO PROVIDE SUCH TENANT WITH THE DOCUMENTA-
51 TION, THE SCOPE OF WHICH SHALL BE DETERMINED BY THE DIVISION OF HOUSING
52 AND COMMUNITY RENEWAL, USED BY SUCH OWNER OR LANDLORD TO SUPPORT ANY
53 ALLOWABLE INCREASES IN THE LEGAL REGULATED RENT DURING THE PREVIOUS FOUR
54 YEARS.

55 S 54. Paragraph 1 of subdivision a of section 12 of section 4 of chap-
56 ter 576 of the laws of 1974 constituting the emergency tenant protection

1 act of nineteen seventy-four is amended by adding a new clause (iii) to
2 read as follows:

3 (III) NOTWITHSTANDING THE PROVISIONS OF CLAUSE (I) OF THIS PARAGRAPH,
4 FOR ANY YEAR IN WHICH AN OWNER OR A LANDLORD WHO IS REQUIRED TO FILE AN
5 ANNUAL RENT REGISTRATION STATEMENT, HAS FAILED TO TIMELY FILE SUCH ANNU-
6 AL RENT REGISTRATION STATEMENT, THE DIVISION OR A COURT OF COMPETENT
7 JURISDICTION SHALL CONSIDER SUCH YEAR OR YEARS WHEN DETERMINING THE
8 CURRENT LEGAL REGULATED RENT.

9 S 55. Section 6 of section 4 of chapter 576 of the laws of 1974
10 constituting the emergency tenant protection act of nineteen seventy-
11 four is amended by adding a new subdivision h to read as follows:

12 H. UPON THE OFFERING OF A LEASE TO A PROSPECTIVE TENANT, AN OWNER OR A
13 LANDLORD SHALL BE REQUIRED TO PROVIDE SUCH TENANT WITH THE DOCUMENTA-
14 TION, THE SCOPE OF WHICH SHALL BE DETERMINED BY THE DIVISION OF HOUSING
15 AND COMMUNITY RENEWAL, USED BY SUCH OWNER OR LANDLORD TO SUPPORT ANY
16 ALLOWABLE INCREASES IN THE LEGAL REGULATED RENT DURING THE PREVIOUS FOUR
17 YEARS.

18 S 56. Section 213-a of the civil practice law and rules, as amended by
19 chapter 116 of the laws of 1997, is amended to read as follows:

20 S 213-a. Actions to be commenced within four years; residential rent
21 overcharge. An action on a residential rent overcharge shall be
22 commenced within four years of the first overcharge alleged and no
23 determination of an overcharge and no award or calculation of an award
24 of the amount of any overcharge may be based upon an overcharge having
25 occurred more than four years before the action is commenced. This
26 section shall preclude examination of the rental history of the housing
27 accommodation prior to the four-year period immediately preceding the
28 commencement of the action; PROVIDED HOWEVER, FOR ANY YEAR IN WHICH AN
29 OWNER OR A LANDLORD WHO IS REQUIRED TO FILE AN ANNUAL RENT REGISTRATION
30 STATEMENT, HAS FAILED TO TIMELY FILE SUCH ANNUAL RENT REGISTRATION
31 STATEMENT, A COURT OF COMPETENT JURISDICTION SHALL CONSIDER SUCH YEAR OR
32 YEARS WHEN DETERMINING THE CURRENT LEGAL REGULATED RENT.

33 S 57. Section 241.05 of the penal law, as added by chapter 116 of the
34 laws of 1997, is amended to read as follows:

35 S 241.05 Harassment of a rent regulated tenant IN THE FIRST DEGREE.

36 An owner is guilty of harassment of a rent regulated tenant IN THE
37 FIRST DEGREE when with intent to cause a rent regulated tenant to vacate
38 a housing accommodation, such owner:

39 1. With intent to cause physical injury to such tenant, causes such
40 injury to such tenant or to a third person; or

41 2. Recklessly causes physical injury to such tenant or to a third
42 person.

43 Harassment of a rent regulated tenant IN THE FIRST DEGREE is a class E
44 felony.

45 S 58. The penal law is amended by adding a new section 241.03 to read
46 as follows:

47 S 241.03 HARASSMENT OF A RENT REGULATED TENANT IN THE SECOND DEGREE.

48 AN OWNER IS GUILTY OF HARASSMENT OF A RENT REGULATED TENANT IN THE
49 SECOND DEGREE WHEN, WITH THE INTENT TO CAUSE A RENT REGULATED TENANT TO
50 VACATE A HOUSING ACCOMMODATION, SUCH OWNER INTENTIONALLY IMPAIRS THE
51 HABITABILITY OF A HOUSING ACCOMMODATION, OR CREATES OR MAINTAINS A
52 CONDITION, WHICH ENDANGERS THE SAFETY OR HEALTH OF THE DWELLING'S
53 TENANT.

54 HARASSMENT OF A RENT REGULATED TENANT IN THE SECOND DEGREE IS A CLASS
55 A MISDEMEANOR.

1 S 59. Paragraph 5 of subdivision a of section 26-405 of the adminis-
2 trative code of the city of New York is amended to read as follows:

3 (5) Where a maximum rent established pursuant to this chapter on or
4 after January first, nineteen hundred seventy-two, is higher than the
5 previously existing maximum rent, the landlord may not collect AN
6 INCREASE FROM A TENANT IN OCCUPANCY IN ANY ONE YEAR PERIOD OF more than
7 THE LESSER OF EITHER seven and one-half percentum [increase from a
8 tenant in occupancy on such date in any one year period, provided howev-
9 er, that where] OR AN AVERAGE OF THE PREVIOUS FIVE YEARS OF ONE-YEAR
10 RENT INCREASES ON RENT STABILIZED APARTMENTS AS ESTABLISHED BY THE RENT
11 GUIDELINES BOARD, PURSUANT TO SUBDIVISION B OF SECTION 26-510 OF THIS
12 TITLE. IF the period for which the rent is established exceeds one year,
13 regardless of how the collection thereof is averaged over such period,
14 the rent the landlord shall be entitled to receive during the first
15 twelve months shall not be increased by more than THE LESSER OF EITHER
16 seven and one-half percentum OR AN AVERAGE OF THE PREVIOUS FIVE YEARS OF
17 ONE-YEAR RENT INCREASES ON RENT STABILIZED APARTMENTS AS ESTABLISHED BY
18 THE RENT GUIDELINES BOARD, PURSUANT TO SUBDIVISION B OF SECTION 26-510
19 OF THIS TITLE, over the previous rent [and]. ANY additional annual rents
20 shall not exceed THE LESSER OF EITHER seven and one-half percentum OR AN
21 AVERAGE OF THE PREVIOUS FIVE YEARS OF ONE-YEAR RENT INCREASES ON RENT
22 STABILIZED APARTMENTS AS ESTABLISHED BY THE RENT GUIDELINES BOARD,
23 PURSUANT TO SUBDIVISION B OF SECTION 26-510 OF THIS TITLE, of the rent
24 paid during the previous year. Notwithstanding any of the foregoing
25 limitations in this paragraph five, maximum rent shall be increased if
26 ordered by the agency pursuant to subparagraphs (d), (e), (f), (g), (h),
27 (i), (k), [(l),] OR (m) [or (n)] of paragraph one of subdivision g of
28 this section. [Commencing January first, nineteen hundred eighty, rent
29 adjustments pursuant to subparagraph (n) of paragraph one of subdivision
30 g of this section shall be excluded from the maximum rent when computing
31 the seven and one-half percentum increase authorized by this paragraph
32 five.] Where a housing accommodation is vacant on January first, nine-
33 teen hundred seventy-two, or becomes vacant thereafter by voluntary
34 surrender of possession by the tenants, the maximum rent established for
35 such accommodations may be collected.

36 S 60. Subparagraphs (l) and (n) of paragraph 1 of subdivision g of
37 section 26-405 of the administrative code of the city of New York are
38 REPEALED.

39 S 61. Section 4 of chapter 274 of the laws of 1946, constituting the
40 emergency housing rent control law, is amended by adding a new subdivi-
41 sion 9 to read as follows:

42 9. NO ANNUAL RENT INCREASE AUTHORIZED PURSUANT TO THIS ACT SHALL
43 EXCEED THE AVERAGE OF THE PREVIOUS FIVE ANNUAL RENTAL INCREASES AUTHOR-
44 IZED BY A RENT GUIDELINES BOARD FOR A RENT STABILIZED UNIT PURSUANT TO
45 SECTION 4 OF THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN
46 SEVENTY-FOUR.

47 S 62. Section 235-e of the real property law, as amended by chapter
48 848 of the laws of 1986, is amended to read as follows:

49 S 235-e. Duty [of landlord] to provide A written receipt. (a) Upon the
50 receipt of THE PAYMENT OF rent for residential premises in the form of
51 cash, or any instrument other than the personal check of the [tenant]
52 LESSEE, it shall be the duty of the [landlord] LESSOR, OR ANY AGENT OF
53 THE LESSOR AUTHORIZED TO RECEIVE RENT, to provide the [payor] LESSEE
54 with a written receipt containing the following:

- 55 1. The date;
- 56 2. The amount;

1 3. The identity of the premises and period for which paid; and

2 4. The signature and title of the person receiving the rent.

3 (b) [Where a tenant] A LESSEE MAY REQUEST, in writing, [requests] that
4 a [landlord] LESSOR provide a receipt for rent paid by personal check[,
5 it shall be the duty of]. IF SUCH REQUEST IS MADE, the [landlord to]
6 LESSOR, OR ANY AGENT OF THE LESSOR AUTHORIZED TO RECEIVE RENT, SHALL
7 provide the [payor] LESSEE with the receipt described in subdivision (a)
8 of this section [for each such request made in writing]. SUCH REQUEST
9 SHALL, UNLESS OTHERWISE SPECIFIED BY THE LESSEE, REMAIN IN EFFECT FOR
10 THE DURATION OF SUCH LESSEE'S TENANCY.

11 (C) IF A PAYMENT OF RENT IS PERSONALLY TRANSMITTED TO A LESSOR, OR AN
12 AGENT OF A LESSOR AUTHORIZED TO RECEIVE RENT, THE RECEIPT FOR SUCH
13 PAYMENT SHALL BE ISSUED IMMEDIATELY TO A LESSEE. IF A PAYMENT OF RENT IS
14 TRANSMITTED INDIRECTLY TO A LESSOR, OR AN AGENT OF A LESSOR AUTHORIZED
15 TO RECEIVE RENT, A LESSEE SHALL BE PROVIDED WITH A RECEIPT WITHIN TEN
16 BUSINESS DAYS OF SUCH LESSOR OR AGENT'S RECEIPT OF A RENT PAYMENT.

17 (D) IF A LESSOR, OR AN AGENT OF A LESSOR AUTHORIZED TO RECEIVE RENT,
18 FAILS TO RECEIVE PAYMENT FOR RENT WITHIN TEN BUSINESS DAYS OF THE DATE
19 SPECIFIED IN A LEASE AGREEMENT, SUCH LESSOR OR AGENT SHALL SEND, BY
20 CERTIFIED MAIL, WITHIN TWO BUSINESS DAYS THEREAFTER, A LESSEE A WRITTEN
21 NOTICE STATING THE FAILURE TO RECEIVE SUCH RENT PAYMENT. THE FAILURE OF
22 A LESSOR, OR ANY AGENT OF THE LESSOR AUTHORIZED TO RECEIVE RENT, TO
23 PROVIDE A LESSEE WITH A WRITTEN NOTICE OF THE NON-PAYMENT OF RENT MAY BE
24 USED AS AN AFFIRMATIVE DEFENSE BY SUCH LESSEE IN AN EVICTION PROCEEDING
25 BASED ON THE NON-PAYMENT OF RENT.

26 S 63. Section 282-a of the multiple dwelling law, as amended by chap-
27 ter 159 of the laws of 2011, is amended to read as follows:

28 S 282-a. [Limitation on applications] APPLICATIONS for coverage of
29 interim multiple dwellings and residential units. [1. All applications
30 for registration as an interim multiple dwelling or for coverage of
31 residential units under this article shall be filed with the loft board
32 within six months after the date the loft board shall have adopted all
33 rules or regulations necessary in order to implement the provisions of
34 chapter one hundred forty-seven of the laws of two thousand ten. The
35 loft board may subsequently amend such rules and regulations but such
36 amendments shall not recommence the time period in which applications
37 may be filed. Notwithstanding any other provision of this article,
38 after such date no further applications for registration or coverage as
39 an interim multiple dwelling or for coverage under this article shall be
40 accepted for owners or occupants of buildings that would otherwise qual-
41 ify as interim multiple dwellings or for coverage pursuant to this arti-
42 cle.

43 2.] Where any occupant has filed an application for coverage pursuant
44 to this article and has received a docket number from the loft board, it
45 shall be unlawful for an owner to cause or intend to cause such occupant
46 to vacate, surrender or waive any rights in relation to such occupancy,
47 due to repeated interruptions or discontinuances of essential services,
48 or an interruption or discontinuance of an essential service for an
49 extended duration or of such significance as to substantially impair
50 habitability of such unit, at any time before the loft board has made a
51 final determination, including appeals, to approve or deny such applica-
52 tion. This [subdivision] SECTION shall not grant any rights of continued
53 occupancy other than those otherwise granted by law. Any agreement that
54 waives or limits the benefits of this [subdivision] SECTION shall be
55 deemed void as against public policy. In addition to any other remedies
56 provided in this article for failure to be in compliance, in article

1 eight of this chapter, or in the regulations promulgated by the loft
2 board, an occupant who has filed an application with the loft board for
3 coverage under this article may[, no later than thirty-six months after
4 the loft board shall have adopted rules and regulations as set forth in
5 subdivision one of this section,] commence an action or proceeding in a
6 court of competent jurisdiction, which notwithstanding any other
7 provision of law shall include the housing part of the New York city
8 civil court, to enforce the provisions of this [subdivision] SECTION.

9 S 64. Paragraph (vi) of subdivision 1 of section 284 of the multiple
10 dwelling law, as amended by chapter 4 of the laws of 2013, is amended to
11 read as follows:

12 (vi) Notwithstanding the provisions of paragraphs (i) through (v) of
13 this subdivision the owner of an interim multiple dwelling made subject
14 to this article by subdivision five of section two hundred eighty-one of
15 this article (A) shall file an alteration application [within nine
16 months from the effective date of the chapter of the laws of two thou-
17 sand ten which amended this subparagraph] ON OR BEFORE MARCH
18 TWENTY-FIRST, TWO THOUSAND ELEVEN, or, for units that became subject to
19 this article pursuant to the chapter of the laws of two thousand thir-
20 teen which amended this paragraph, [within nine months of the promulga-
21 tion of all necessary rules and regulations pursuant to section two
22 hundred eighty-two-a of this article] ON OR BEFORE JUNE ELEVENTH, TWO
23 THOUSAND FOURTEEN, OR, FOR UNITS IN AN INTERIM MULTIPLE DWELLING THAT
24 WERE LISTED ON AN APPLICATION FOR COVERAGE OR REGISTRATION FILED WITH
25 THE LOFT BOARD PURSUANT TO THIS ARTICLE OR IN A COURT PLEADING AFTER
26 MARCH ELEVENTH, TWO THOUSAND FOURTEEN, WITHIN NINE MONTHS OF EITHER THE
27 DATE OF THE INITIAL APPLICATION FOR COVERAGE OR THE DATE OF THE LOFT
28 BOARD'S ISSUANCE OF AN INTERIM MULTIPLE DWELLING NUMBER OR THE DATE OF
29 THE SERVICE OF THE PLEADING, WHICHEVER IS EARLIER, and (B) shall take
30 all reasonable and necessary action to obtain an approved alteration
31 permit [within twelve months from such effective date] ON OR BEFORE JUNE
32 TWENTY-FIRST, TWO THOUSAND ELEVEN, or, for units that became subject to
33 this article pursuant to the chapter of the laws of two thousand thir-
34 teen which amended this paragraph, [within twelve months of the promul-
35 gation of all necessary rules and regulations pursuant to section two
36 hundred eighty-two-a of this article] ON OR BEFORE SEPTEMBER ELEVENTH,
37 TWO THOUSAND FOURTEEN, OR, FOR UNITS IN AN INTERIM MULTIPLE DWELLING
38 THAT WERE LISTED ON AN APPLICATION FOR COVERAGE OR REGISTRATION FILED
39 WITH THE LOFT BOARD PURSUANT TO THIS ARTICLE OR IN A COURT PLEADING
40 AFTER MARCH ELEVENTH, TWO THOUSAND FOURTEEN, WITHIN TWELVE MONTHS OF
41 EITHER THE DATE OF THE INITIAL APPLICATION FOR COVERAGE OR THE DATE OF
42 THE LOFT BOARD'S ISSUANCE OF AN INTERIM MULTIPLE DWELLING NUMBER OR THE
43 DATE OF THE SERVICE OF THE PLEADING, WHICHEVER IS EARLIER, and (C) shall
44 achieve compliance with the standards of safety and fire protection set
45 forth in article seven-B of this chapter for the residential portions of
46 the building within eighteen months from obtaining such alteration
47 permit, and (D) shall take all reasonable and necessary action to obtain
48 a certificate of occupancy as a class A multiple dwelling for the resi-
49 dential portions of the building or structure [within thirty months from
50 such effective date] ON OR BEFORE DECEMBER TWENTY-FIRST, TWO THOUSAND
51 TWELVE, or for units that became subject to this article pursuant to the
52 chapter of the laws of two thousand thirteen which amended this para-
53 graph [within thirty months of the promulgation of all necessary rules
54 and regulations pursuant to section two hundred eighty-two-a of this
55 article] ON OR BEFORE MARCH ELEVENTH, TWO THOUSAND SIXTEEN, OR, FOR
56 UNITS IN AN INTERIM MULTIPLE DWELLING THAT WERE LISTED ON AN APPLICATION

1 FOR COVERAGE OR REGISTRATION FILED WITH THE LOFT BOARD PURSUANT TO THIS
2 ARTICLE OR IN A COURT PLEADING AFTER MARCH ELEVENTH, TWO THOUSAND FOUR-
3 TEEN, WITHIN THIRTY MONTHS OF EITHER THE DATE OF THE INITIAL APPLICATION
4 FOR COVERAGE OR THE DATE OF THE LOFT BOARD'S ISSUANCE OF AN INTERIM
5 MULTIPLE DWELLING NUMBER OR THE DATE OF THE SERVICE OF THE PLEADING,
6 WHICHEVER IS EARLIER. The loft board may, upon good cause shown, and
7 upon proof of compliance with the standards of safety and fire
8 protection set forth in article seven-B of this chapter, twice extend
9 the time of compliance with the requirement to obtain a residential
10 certificate of occupancy for periods not to exceed twelve months each.

11 S 65. Subdivision (h) of section 27 of chapter 4 of the laws of 2013
12 amending the real property tax law relating to exemption from taxation
13 to alterations and improvements to multiple dwellings to eliminate fire
14 and health hazards is REPEALED.

15 S 66. The civil practice law and rules is amended by adding a new
16 section 3012-c to read as follows:

17 S 3012-C. PREREQUISITES; CERTIFICATE OF MERIT IN AN EVICTION PROCEED-
18 ING OR AN ACTION TO DEREGULATE A RENT-REGULATED UNIT. (A) IN ANY
19 EVICTION PROCEEDING PREMISED UPON ANY GROUND ESTABLISHED BY ARTICLE
20 SEVEN OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW; OR, IN ANY
21 ACTION TO DEREGULATE A UNIT THAT IS REGULATED PURSUANT TO THE EMERGENCY
22 HOUSING RENT CONTROL LAW OF NINETEEN HUNDRED FORTY-SIX, THE LOCAL EMER-
23 GENCY HOUSING RENT CONTROL ACT OF NINETEEN HUNDRED SIXTY-TWO, THE EMER-
24 GENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, OR THE ADMINISTRA-
25 TIVE CODE OF THE CITY OF NEW YORK, THE COMPLAINT SHALL BE ACCOMPANIED BY
26 A CERTIFICATE OF MERIT. SUCH CERTIFICATE SHALL BE SIGNED BY AN ATTORNEY
27 FOR THE PLAINTIFF, OR, WHERE THE PLAINTIFF IS NOT REPRESENTED BY COUN-
28 SEL, BY THE PLAINTIFF, AND SHALL CERTIFY THAT SUCH ATTORNEY OR PLAINTIFF
29 HAS:

30 1. REVIEWED THE FACTS UNDERLYING THE PROCEEDING OR ACTION BROUGHT;

31 2. CONSULTED WITH THE PLAINTIFF, OR A REPRESENTATIVE OF THE PLAINTIFF,
32 CONCERNING THE PROCEEDING OR ACTION BROUGHT;

33 3. REVIEWED DOCUMENTS PERTINENT TO THE PROCEEDING OR ACTION BROUGHT,
34 INCLUDING, WHERE APPLICABLE, THE ANNUAL RENT REGISTRATION STATEMENT;

35 4. REVIEWED PLAINTIFF'S, OR A REPRESENTATIVE OF THE PLAINTIFF'S,
36 ATTEMPTS TO, BASED UPON AN IMPLIED OR EXPRESSED COVENANT OF FAIR DEALING
37 IN GOOD FAITH WITH THE TENANT, CORRESPOND, NEGOTIATE, OR RESOLVE LEASE
38 OR TENANCY ISSUES, AND/OR ACCEPT PAYMENT UNDER THE TERMS OF A LEASE; AND

39 5. DETERMINED THAT, TO THE BEST OF SUCH ATTORNEY'S OR PLAINTIFF'S
40 KNOWLEDGE, BASED UPON REASONABLE INQUIRIES MADE IN DUE DILIGENCE, THERE
41 IS A REASONABLE BASIS FOR THE COMMENCEMENT OF THE ACTION, AND THAT THE
42 PLAINTIFF IS ENTITLED TO BRING THE PROCEEDING OR ACTION.

43 (B) A COPY OF THE WRITTEN LEASE BETWEEN THE PLAINTIFF AND DEFENDANT;
44 IF AN ORAL LEASE, DOCUMENTATION ESTABLISHING DEFENDANT'S TENANCY; WHERE
45 APPLICABLE, THE ANNUAL RENT REGISTRATION STATEMENT; AND/OR ANY OTHER
46 DOCUMENTATION SUPPORTING THE ACTION SHALL BE ATTACHED TO THE CERTIFICATE
47 OF MERIT.

48 (C) IF A PLAINTIFF WILLFULLY FAILS TO PROVIDE A COPY OF THE WRITTEN
49 LEASE BETWEEN THE PLAINTIFF AND DEFENDANT; IF AN ORAL LEASE, DOCUMENTA-
50 TION ESTABLISHING DEFENDANT'S TENANCY; WHERE APPLICABLE, THE ANNUAL RENT
51 REGISTRATION STATEMENT; AND/OR ANY OTHER DOCUMENTATION SUPPORTING THE
52 ACTION, AS REQUIRED BY SUBDIVISION (B) OF THIS SECTION, AND THE COURT
53 FINDS, UPON THE MOTION OF ANY PARTY OR ON ITS OWN MOTION ON NOTICE TO
54 THE PARTIES, THAT SUCH PAPERS AND/OR DOCUMENTS WERE NOT PROVIDED, THE
55 COURT SHALL DISMISS THE COMPLAINT OR MAKE SUCH FINAL OR CONDITIONAL

1 ORDER WITH REGARD TO SUCH FAILURE, AS IS JUST. ANY SUCH DISMISSAL SHALL
2 BE WITHOUT PREJUDICE AND SHALL NOT BE ON THE MERITS.

3 S 67. This act shall take effect immediately; provided, however, that:

4 (a) the amendments to chapter 4 of title 26 of the administrative code
5 of the city of New York made by sections eight, nine, ten, twenty, twenty-
6 ty-five, twenty-seven, thirty, thirty-two, thirty-six, thirty-seven,
7 forty-three, forty-four, forty-seven, fifty, fifty-two, and fifty-three
8 of this act shall expire on the same date as such chapter expires and
9 shall not affect the expiration of such chapter as provided under
10 section 26-520 of such law;

11 (b) the amendments to the emergency tenant protection act of nineteen
12 seventy-four made by sections seven, thirteen, fourteen, twenty-one,
13 twenty-two, twenty-eight, thirty-one, thirty-three, thirty-eight,
14 forty-five, forty-six, forty-eight, forty-nine, fifty-one, fifty-four,
15 and fifty-five of this act shall expire on the same date as such act
16 expires and shall not affect the expiration of such act as provided in
17 section 17 of chapter 576 of the laws of 1974;

18 (c) the amendments to the emergency housing rent control law made by
19 sections twenty-three, twenty-nine, thirty-nine and sixty-one of this
20 act shall expire on the same date as such law expires and shall not
21 affect the expiration of such law as provided in subdivision 2 of
22 section 1 of chapter 274 of the laws of 1946;

23 (d) the amendments to chapter 3 of title 26 of the administrative code
24 of the city of New York made by sections eleven, twelve, twenty-four,
25 twenty-six, thirty-four, thirty-five, forty-one, forty-two and fifty-
26 nine of this act shall remain in full force and effect only as long as
27 the public emergency requiring the regulation and control of residential
28 rents and evictions continues, as provided in subdivision 3 of section 1
29 of the local emergency housing rent control act;

30 (e) the amendments to paragraph 2 of subdivision c of section 26-516
31 of the administrative code of the city of New York made by section nine
32 of this act shall be subject to the expiration and reversion of such
33 subdivision pursuant to section 46 of chapter 116 of the laws of 1997,
34 as amended, when upon such date the provisions of section ten of this
35 act shall take effect;

36 (f) the amendment to subparagraph (a) of paragraph 2 of subdivision b
37 of section 26-413 of the administrative code of the city of New York
38 made by section eleven of this act shall be subject to the expiration
39 and reversion of such subdivision pursuant to section 46 of chapter 116
40 of the laws of 1997, as amended, when upon such date the provisions of
41 section twelve of this act shall take effect;

42 (g) the amendment to clause (ii) of paragraph 3 of subdivision a of
43 section 12 of the emergency tenant protection act of nineteen seventy-
44 four, made by section thirteen of this act shall be subject to the expi-
45 ration and reversion of such subdivision pursuant to section 46 of chap-
46 ter 116 of the laws of 1997, as amended, when upon such date the
47 provisions of section fourteen of this act shall take effect;

48 (h) the provisions of sections fifty-seven and fifty-eight of this act
49 shall not affect the expiration and repeal of article 241 of the penal
50 law pursuant to subdivision 6 of section 46 of chapter 116 of the laws
51 of 1997, as amended, and shall expire and be deemed repealed therewith;

52 (i) the amendments to chapter 4 of title 26 of the administrative code
53 of the city of New York, made by section thirty-two of this act and the
54 emergency tenant protection act of nineteen seventy-four made by section
55 thirty-three of this act and affecting class A multiple dwellings
56 covered by a project-based assistance contract pursuant to section eight

1 of the United States housing act of 1937, shall apply only to such class
2 A multiple dwellings whose contract is no longer in effect after the
3 date upon which this act shall take effect;

4 (j) the amendment to section 5 of the emergency tenant protection act
5 of nineteen seventy-four made by section forty-nine of this act and
6 affecting rental housing accommodations located in buildings which were
7 owned by a company established under article 2 of the private housing
8 finance law, other than a mutual company, that voluntarily dissolve
9 pursuant to section 35 of such law, shall apply only to such rental
10 housing accommodations after the date upon which this act shall take
11 effect;

12 (k) notwithstanding section 13 of part A of chapter 97 of the laws of
13 2011, the effectiveness of such part shall not be contingent upon the
14 continuance of subdivision 3 of section 1 of the local emergency rent
15 control act, sections 26-501, 26-502 and 26-520 of the administrative
16 code of the city of New York, section 17 of chapter 576 of the laws of
17 1974 and subdivision 2 of section 1 of chapter 274 of the laws of 1946
18 constituting the emergency housing rent control law, and section 10 of
19 chapter 555 of the laws of 1982, amending the general business law and
20 the administrative code of the city of New York relating to conversions
21 of residential property to cooperative or condominium ownership in the
22 city of New York as such laws are continued by chapter 93 of the laws of
23 2011; and

24 (l) the provisions of sections sixty-three, sixty-four and sixty-five
25 of this act shall be deemed to have been in full force and effect on and
26 after March 11, 2014.