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

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2015-2016 Regular Sessions

I N  S E N A T E

June 12, 2015

Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

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 (Part A); to amend the public housing law, in relation to establishing a tenant protection unit within the division of housing and community renewal (Part B); to amend the public housing law and the tax law, in relation to income verification for rent controlled apartments (Part C); to amend the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four, in relation to enforcement of rent control laws (Part D); and prohibiting the subletting of rent controlled apartments except under limited circumstances (Part E)

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

Section 1. This act enacts into law major components of legislation relating to rent regulation and real property tax abatements. Each component is wholly contained within a Part identified as Parts A through E. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any

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

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provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. Short title. This act shall be known and may be cited as the "rent act of 2015".

S 1-a. Section 17 of 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, as amended by section 1-a of part B of chapter 97 of the laws of 2011, is amended to read as follows:

S 17. Effective date. This act shall take effect immediately and shall remain in full force and effect until and including the fifteenth day of June [2015] 2023; except that sections two and three shall take effect with respect to any city having a population of one million or more and section one shall take effect with respect to any other city, or any town or village whenever the local legislative body of a city, town or village determines the existence of a public emergency pursuant to section three of the emergency tenant protection act of nineteen seventy-four, as enacted by section four of this act, and provided that the housing accommodations subject on the effective date of this act to stabilization pursuant to the New York city rent stabilization law of nineteen hundred sixty-nine shall remain subject to such law upon the expiration of this act.

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

2. The provisions of this act, and all regulations, orders and requirements thereunder shall remain in full force and effect until and including June 15, [2015] 2023.

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

S 2. This act shall take effect immediately and the provisions of subdivision 6 of section 12 of the emergency housing rent control law, as added by this act, shall remain in full force and effect until and including June 15, [2015] 2023.

S 4. Section 10 of 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, as amended by section 4 of part B of chapter 97 of the laws of 2011, is amended to read as follows:

S 10. This act shall take effect immediately; provided, that the provisions of sections one, two and nine of this act shall remain in full force and effect only until and including June 15, [2015] 2023; provided further that the provisions of section three of this act shall remain in full force and effect only so long as the public emergency requiring the regulation and control of residential rents and evictions continues as provided in subdivision 3 of section 1 of the local emergency housing rent control act; provided further that the provisions of

sections four, five, six and seven of this act shall expire in accordance with the provisions of section 26-520 of the administrative code of the city of New York as such section of the administrative code is, from time to time, amended; provided further that the provisions of section 26-511 of the administrative code of the city of New York, as amended by this act, which the New York City Department of Housing Preservation and Development must find are contained in the code of the real estate industry stabilization association of such city in order to approve it, shall be deemed contained therein as of the effective date of this act; and provided further that any plan accepted for filing by the department of law on or before the effective date of this act shall continue to be governed by the provisions of section 352-eeee of the general business law as they had existed immediately prior to the effective date of this act.

S 5. Section 4 of 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, as amended by section 5 of part B of chapter 97 of the laws of 2011, is amended to read as follows:

S 4. This act shall take effect immediately; provided, that the provisions of sections one and three of this act shall remain in full force and effect only until and including June 15, [2015] 2023; and provided further that any plan accepted for filing by the department of law on or before the effective date of this act shall continue to be governed by the provisions of section 352-eee of the general business law as they had existed immediately prior to the effective date of this act.

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

6. sections twenty-eight, twenty-eight-a, twenty-eight-b and twenty-eight-c of this act shall expire and be deemed repealed after June 15, [2015] 2023;

S 7. This act shall take effect immediately.

PART B

Section 1. Section 10 of the public housing law, as amended by chapter 398 of the laws of 1961, is amended to read as follows:

S 10. Division of housing and community renewal. 1. There shall be in the executive department a division of housing and community renewal. Reference in this chapter or in any other general, special or local law to the division of housing shall be deemed to mean and refer to the division of housing and community renewal which is hereby made the new title of such division.

2. THE DIVISION OF HOUSING AND COMMUNITY RENEWAL IS AUTHORIZED TO ESTABLISH A TENANT PROTECTION UNIT. THE COMMISSIONER, THROUGH SUCH UNIT, SHALL HAVE THE FOLLOWING POWERS:

(A) TO CONDUCT AUDITS AND HEARINGS THEREON TO REVIEW RENT INCREASES RESULTING FROM INDIVIDUAL APARTMENT IMPROVEMENTS AUTHORIZED PURSUANT TO PARAGRAPH THIRTEEN OF SUBDIVISION C OF SECTION 26-511 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK OR PARAGRAPH ONE OF SUBDIVISION (D) OF SECTION SIX OF THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR. SUCH AUDITS MAY REQUIRE THE PRODUCTION OF BOOKS, PAPERS, RECORDS, CONTRACTS, CHECKS OR ANY OTHER DOCUMENTS RELEVANT AND MATERIAL TO INDI-

VIDUAL APARTMENT IMPROVEMENTS. ANY AUDIT SHALL BE LIMITED TO THOSE INDIVIDUAL APARTMENT IMPROVEMENTS FOR WHICH RENT INCREASES RESULTING FROM SUCH IMPROVEMENTS TOOK EFFECT WITHIN THREE CALENDAR YEARS PRIOR TO THE DATE OF THE NOTICE OF THE AUDIT;

(B) TO AUDIT COMPLIANCE BY OWNERS OF HOUSING ACCOMMODATIONS WITH RESPECT TO ANNUAL REGISTRATION REQUIREMENTS PURSUANT TO SECTION 26-517 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK AND SECTION TWELVE-A OF THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR; AND

(C) TO INVESTIGATE, ADMINISTER OATHS, ISSUE SUBPOENAS AND MAKE INSPECTIONS UPON THE RECEIPT OF A TENANT COMPLAINT THAT ESTABLISHES REASONABLE CAUSE TO BELIEVE THAT VIOLATIONS OF THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY HOUSING RENT CONTROL LAW AND THE LOCAL EMERGENCY HOUSING RENT CONTROL ACT HAVE OCCURRED.

3. (A) FOR THE PURPOSES OF THIS SECTION, THE SELECTION OF AN INDIVIDUAL APARTMENT IMPROVEMENT FOR AUDIT SHALL BE CONDUCTED ON A RANDOM BASIS BY THE TENANT PROTECTION UNIT FROM AMONG THOSE IMPROVEMENTS FOR WHICH RENT INCREASES WHICH TOOK EFFECT WITHIN THREE CALENDAR YEARS PRIOR TO THE DATE OF NOTICE OF SUCH AUDIT. ANY SUCH SELECTION SHALL BE DONE IN A MANNER SUCH THAT THE IDENTITY OF THE OWNER WHOSE INDIVIDUAL APARTMENT IMPROVEMENT IS SELECTED FOR AUDIT IS NOT KNOWN TO SUCH UNIT. THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL PROMULGATE REGULATIONS SETTING FORTH ITS METHODOLOGY FOR THE CONDUCT OF SUCH RANDOM AUDITS AND TO ENSURE THAT INDIVIDUAL APARTMENT IMPROVEMENTS ARE AUDITED IN A UNIFORM AND CONSISTENT MANNER.

(B) NOTWITHSTANDING THE FOREGOING, THE TENANT PROTECTION UNIT SHALL BE AUTHORIZED UPON A FINDING OF FRAUD OR INTENTIONAL MISCONDUCT IN THE CALCULATION OF RENT INCREASES TO EXPAND THE SCOPE OF ITS AUDIT TO OTHER UNITS OWNED BY A COMMON OWNER OR TO EXTEND THE PERIOD OF TIME FOR THE AUDIT.

(C) THE OWNER OF SUCH HOUSING ACCOMMODATION SHALL BE PROVIDED WITH NOTICE OF THE AUDIT AND HEARING THEREON. THE OWNER SHALL, AT A MINIMUM, BE PROVIDED WITH THE REASONABLE OPPORTUNITY TO RESPOND AT LEAST THIRTY DAYS PRIOR TO A HEARING DATE WHERE THE OWNER, AT HIS OR HER OPTION, HAS AN OPPORTUNITY TO BE HEARD IN-PERSON, PRESENT WITNESSES, AND SUBMIT EVIDENCE. SUCH OWNER SHALL BE ENTITLED TO PROVIDE BOOKS, PAPERS, RECORDS, CONTRACTS, CHECKS OR ANY OTHER DOCUMENTS IN SUPPORT OF AND RELATING TO THE RENT INCREASE AND THE INDIVIDUAL APARTMENT IMPROVEMENT.

(D) AFTER SUCH HEARING, THE TENANT PROTECTION UNIT SHALL DETERMINE WHETHER THE CORRECT AMOUNT OF RENT INCREASE RESULTING FROM AN INDIVIDUAL APARTMENT IMPROVEMENT WAS CHARGED AND COLLECTED BY THE OWNER. WHERE THE TENANT PROTECTION UNIT DETERMINES THAT SUCH CORRECT AMOUNT WAS NOT CHARGED AND COLLECTED BY THE OWNER, THE OWNER SHALL BE LIABLE TO THE TENANT FOR SUCH TOTAL AMOUNT, PLUS INTEREST. THE TENANT PROTECTION UNIT SHALL INFORM THE OWNER, IN WRITING, VIA CERTIFIED MAIL, NO LATER THAN THIRTY CALENDAR DAYS AFTER SUCH HEARING, WHETHER THE CORRECT AMOUNT WAS CHARGED AND COLLECTED.

(E) ANY DETERMINATION BY THE TENANT PROTECTION UNIT SHALL BE SUBJECT TO A PETITION FOR ADMINISTRATIVE REVIEW BY THE DEPUTY COMMISSIONER OF THE OFFICE OF RENT ADMINISTRATION WHICH SHALL ISSUE A FINAL DETERMINATION. THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL, BY REGULATION, PROVIDE FOR THE ADMINISTRATIVE REVIEW OF ALL DETERMINATIONS ISSUED BY THE TENANT PROTECTION UNIT PURSUANT TO THIS SECTION. A PETITION FOR SUCH REVIEW SHALL BE DISPOSED OF BY A FINAL DETERMINATION WITHIN NINETY DAYS AFTER IT IS FILED, OR IT SHALL BE DEEMED TO BE DENIED. PROVIDED, HOWEVER, SUCH REGULATION SHALL PROVIDE FOR ONE EXTENSION NOT

TO EXCEED THIRTY DAYS UPON THE CONSENT OF THE PARTY FILING SUCH PETITION. A FINAL DETERMINATION OR A PRESUMPTIVE DENIAL BY THE OFFICE OF RENT ADMINISTRATION SHALL BE SUBJECT TO JUDICIAL REVIEW PURSUANT TO ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES.

(F) NOTWITHSTANDING ANY OTHER PROVISIONS OF LAW, A DETERMINATION PURSUANT TO THIS SECTION THAT THE CORRECT AMOUNT OF RENT INCREASE RESULTING FROM AN INDIVIDUAL APARTMENT IMPROVEMENT WAS NOT CHARGED AND COLLECTED BY THE OWNER SHALL CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY FOR ANY AND ALL CLAIMS BY THE DIVISION OR THE TENANT OF SUCH HOUSING ACCOMMODATION RELATING TO SUCH INCREASE AND ANY SUCH DETERMINATION SHALL PRECLUDE ANY OTHER ADMINISTRATIVE OR JUDICIAL ACTIONS OR PROCEEDINGS BY THE DIVISION OR SUCH TENANT ARISING FROM OR RELATING TO SUCH RENT INCREASE OR SUCH IMPROVEMENT; PROVIDED FURTHER THAT A SHORTFALL IN THE AMOUNT THAT WAS CHARGED MAY RESULT IN AN IMMEDIATE INCREASE, COMMENCING FROM THE DATE OF THE FINDING.

(G) THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ESTABLISH AND MAKE PUBLICLY AVAILABLE GUIDELINES AND BEST PRACTICES REGARDING PROPER RECORD RETENTION AND DOCUMENTATION PROCEDURES FOR OWNERS WHO HAVE OR MAY INTEND TO PERFORM IMPROVEMENTS THAT MAY BE SUBJECT TO AUDIT PURSUANT TO THIS SECTION. SUCH GUIDELINES SHALL ALSO SET FORTH A FORM AFFIDAVIT BY WHICH OWNERS MAY ATTEST TO THE PERFORMANCE OF INDIVIDUAL APARTMENT IMPROVEMENTS IN THOSE INSTANCES WHERE THE DOCUMENTATION RELATING TO SUCH IMPROVEMENTS IS UNAVAILABLE, INCLUDING BUT NOT LIMITED TO, BECAUSE SUCH DOCUMENTS WERE DAMAGED OR DESTROYED BY FIRE, FLOOD OR ANY OTHER CAUSE, BECAUSE THEY WERE NOT PROVIDED TO THE CURRENT OWNER BY THE PRIOR OWNER, OR FOR ANY OTHER REASON ATTESTED TO IN GOOD FAITH.

S 2. This act shall take effect on the ninetieth day after it shall have become a law; provided however the division of housing and community renewal is authorized and directed to promulgate rules and regulations necessary for the implementation of this act on or before such date.

## PART C

Section 1. Section 14 of the public housing law is amended by adding a new subdivision 7 to read as follows:

7. (A) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE COMMISSIONER SHALL ESTABLISH A SYSTEM TO IDENTIFY AND VERIFY QUALIFICATION OF ANY LESSEE ENTERING INTO OR RENEWING A LEASE FOR AN APARTMENT SUBJECT TO THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY HOUSING RENT CONTROL LAW AND THE LOCAL EMERGENCY RENT CONTROL ACT, AND TO DOCUMENT AND RETAIN A RECORD OF EVERY SUCH LESSEE AND EVERY SUCH APARTMENT THAT IS SUBJECT TO SUCH PROVISIONS.

(B) SUCH SYSTEM SHALL REQUIRE THE SUBMISSION OF INFORMATION, IN A FORM AND MANNER DETERMINED BY THE COMMISSIONER, BY ANY OWNER, WITHIN NINETY DAYS OF THE EFFECTIVE DATE OF THIS SUBDIVISION TO IDENTIFY AND CATALOGUE EACH APARTMENT, OWNED AND MAINTAINED BY SUCH OWNER, THAT IS SUBJECT TO THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY HOUSING RENT CONTROL LAW AND THE LOCAL EMERGENCY RENT CONTROL ACT, AND ANY LESSEE CURRENTLY RESIDING IN SUCH APARTMENT. SUCH SUBMISSION SHALL INCLUDE: ADDRESS, INCLUDING APARTMENT NUMBER, NUMBER OF BEDROOMS; SQUARE FOOTAGE; AND ANY OTHER INFORMATION DEEMED NECESSARY BY THE COMMISSIONER TO IDENTIFY SUCH APARTMENT. SUCH SUBMISSION SHALL ALSO CONTAIN INFORMATION IDENTIFYING THE CURRENT LESSEE OF THE APARTMENT, IF SUCH APARTMENT

IS LEASED, OR RESIDENT OF SUCH APARTMENT INCLUDING: FULL NAME; TERMS OF THE LEASE; AND ANY OTHER INFORMATION DEEMED NECESSARY BY THE COMMISSIONER TO IDENTIFY SUCH LESSEE. UPON THE SUBMISSION AND REVIEW OF SUCH INFORMATION, THE COMMISSIONER SHALL MAINTAIN A DATABASE CONTAINING ALL SUCH INFORMATION SO SUBMITTED IDENTIFYING EVERY SUCH APARTMENT AND ANY LESSEE OR RESIDENT OF SUCH APARTMENT.

(C) AFTER THE COMPLETION OF THE PERIOD FOR SUBMISSION PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION, SUCH INFORMATION SHALL BE SHARED WITH THE NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE PURSUANT TO SECTION ONE HUNDRED SEVENTY-ONE-Z OF THE TAX LAW.

(D) ANY FINDINGS PURSUANT TO SECTION ONE HUNDRED SEVENTY-ONE-Z OF THE TAX LAW THAT A LESSEE OR RESIDENT OF ANY SUCH APARTMENT DOES NOT SATISFY ANY INCOME ELIGIBILITY OR RESIDENCY REQUIREMENTS PRESCRIBED BY THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY HOUSING RENT CONTROL LAW AND THE LOCAL EMERGENCY RENT CONTROL ACT FOR THE APPLICABLE INCOME TAX YEAR SHALL RESULT IN A WRITTEN NOTICE WITHIN THIRTY DAYS OF SUCH FINDING, BY THE COMMISSIONER TO THE OWNER OF SUCH APARTMENT OF SUCH A FINDING.

(E) ANY FINDINGS PURSUANT TO SECTION ONE HUNDRED SEVENTY-ONE-Z OF THE TAX LAW THAT THE ELIGIBILITY OF SUCH LESSEE CANNOT BE VERIFIED SHALL RESULT, WITHIN SIXTY DAYS OF SUCH FINDING, OF A AUDIT, CONDUCTED IN A FORM AND MANNER PRESCRIBED BY THE COMMISSIONER IN COOPERATION WITH THE NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE, OF SUCH LESSEE OR RESIDENT TO VERIFY SUCH LESSEE OR RESIDENT QUALIFIES TO LEASE AN APARTMENT SUBJECT TO THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY HOUSING RENT CONTROL LAW AND THE LOCAL EMERGENCY RENT CONTROL ACT. UPON THE COMPLETION OF AN AUDIT PURSUANT TO THIS PARAGRAPH THAT RESULTS IN A FINDING THAT A LESSEE OR RESIDENT OF ANY SUCH APARTMENT DOES NOT SATISFY ANY INCOME ELIGIBILITY OR RESIDENCY REQUIREMENTS PRESCRIBED BY THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY HOUSING RENT CONTROL LAW AND THE LOCAL EMERGENCY RENT CONTROL ACT FOR THE APPLICABLE INCOME TAX YEAR, THE COMMISSIONER SHALL PROVIDE WRITTEN NOTICE, WITHIN THIRTY DAYS OF SUCH FINDING, TO THE OWNER OF SUCH APARTMENT NOTIFYING SUCH OWNER OF SUCH FINDING.

(F) THE COMMISSIONER SHALL, PERIODICALLY, REQUIRE FURTHER SUBMISSIONS CONSISTENT WITH THIS SUBDIVISION TO UPDATE ANY SUCH INFORMATION SO RETAINED.

(G) NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, ANY INFORMATION RETAINED BY THE COMMISSIONER PURSUANT TO THIS SUBDIVISION SHALL NOT BE SUBJECT TO DISCLOSURE PURSUANT TO ARTICLE SIX OF THE PUBLIC OFFICERS LAW.

S 2. The tax law is amended by adding a new section 171-z to read as follows:

S 171-Z. INCOME VERIFICATION FOR ANY RESIDENT SUBJECT TO THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY HOUSING RENT CONTROL LAW AND THE LOCAL EMERGENCY RENT CONTROL ACT. (1) THE DEPARTMENT SHALL ENTER INTO AN AGREEMENT WITH THE NEW YORK STATE DIVISION OF HOUSING AND COMMUNITY RENEWAL, HEREINAFTER REFERRED TO AS THE DIVISION, TO VERIFY, TO THE EXTENT PRACTICABLE, WHETHER A LESSEE OR RESIDENT OF AN APARTMENT SUBJECT TO THE EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE RENT STABILIZATION OF LAW OF NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY HOUSING RENT CONTROL LAW AND THE LOCAL EMERGENCY RENT CONTROL ACT

MEET ANY INCOME ELIGIBILITY AND RESIDENCY REQUIREMENTS PRESCRIBED BY SUCH LAWS FOR THE APPLICABLE INCOME TAX YEAR, BEGINNING WITH THE INCOME TAX YEAR ENDING IN TWO THOUSAND FIFTEEN. SUCH AGREEMENT SHALL INCLUDE PROVISIONS ASSOCIATED WITH THE SHARING OF INFORMATION RETAINED BY THE DIVISION PURSUANT TO SUBDIVISION SEVEN OF SECTION FOURTEEN OF THE PUBLIC HOUSING LAW.

(2) THE DEPARTMENT SHALL ADVISE THE DIVISION OF ITS FINDINGS, STATING IN EACH CASE EITHER THAT SUCH LESSEE OR RESIDENT DOES OR DOES NOT SATISFY ANY SUCH REQUIREMENTS PURSUANT TO SUBDIVISION ONE OF THIS SECTION, OR THAT THE ELIGIBILITY OF SUCH LESSEE OR RESIDENT CANNOT BE VERIFIED, WHICHEVER IS APPROPRIATE. THE DEPARTMENT SHALL NOT PROVIDE ANY OTHER INFORMATION ABOUT THE INCOME OF SUCH LESSEE TO THE DIVISION.

(3) FURTHER VERIFICATIONS MAY OCCUR AFTER THE TAX YEAR PRESCRIBED IN SUBDIVISION ONE OF THIS SECTION AS DETERMINED IN CONJUNCTION WITH AN AGREEMENT BETWEEN THE COMMISSIONER AND THE DIVISION.

(4) THE PROVISIONS OF ARTICLE SIX OF THE PUBLIC OFFICERS LAW SHALL NOT APPLY TO ANY INFORMATION THAT THE DEPARTMENT OBTAINS FROM OR PROVIDES TO THE DIVISION PURSUANT TO THIS SECTION.

S 3. This act shall take effect on the ninetieth day after it shall have become a law.

PART D

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

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

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

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

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

S 3. Subparagraph (a) of paragraph 2 of subdivision b of section 26-413 of the administrative code of the city of New York. as amended by

section 3 of chapter 480 of the laws of 2009, is amended to read as follows:

(a) Impose by administrative order after hearing, a civil penalty for any violation of said section and bring an action to recover same in any court of competent jurisdiction. Such penalty in the case of a violation of subdivision d of such section shall be [in the amount of two thousand dollars for the first offense and ten] AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED THREE THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED ELEVEN thousand dollars for each subsequent offense or for a violation consisting of conduct directed at the tenants of more than one housing accommodation; and in the case of any other violation of such section [in the amount of one thousand dollars for the first such offense and two] AT MINIMUM IN THE AMOUNT OF ONE THOUSAND BUT NOT TO EXCEED TWO THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED THREE thousand dollars for each subsequent offense. Such order by the city rent agency shall be deemed a final determination for the purposes of judicial review as provided in section 26-411 of this chapter. Such action shall be brought on behalf of the city and any amount recovered shall be paid into the city treasury. Such right of action may be released, compromised or adjusted by the city rent agency at any time subsequent to the issuance of such administrative order.

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

(a) Impose by administrative order after hearing, a civil penalty for any violation of said section and bring an action to recover same in any court of competent jurisdiction. Such penalty in the case of a violation of subdivision d of such section shall be [in the amount of two thousand dollars for a first such offense and ten] AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED THREE THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED ELEVEN thousand dollars for each subsequent offense or for a violation consisting of conduct directed at the tenants of more than one housing accommodation; and in the case of any other violation of such section [in the amount of one thousand dollars for the first such offense and two] AT MINIMUM IN THE AMOUNT OF ONE THOUSAND BUT NOT TO EXCEED TWO THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED THREE thousand dollars for each subsequent offense. Such order by the city rent agency shall be deemed a final determination for the purposes of judicial review as provided in section 26-411 of this chapter. Such action shall be brought on behalf of the city and any amount recovered shall be paid into the city treasury. Such right of action may be released, compromised or adjusted by the city rent agency at any time subsequent to the issuance of such administrative order.

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

(i) to have violated an order of the division the commissioner may impose by administrative order after hearing, a civil penalty [in the amount of one thousand dollars for the first such offense and two] AT

MINIMUM IN THE AMOUNT OF ONE THOUSAND BUT NOT TO EXCEED TWO THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TWO THOUSAND BUT NOT TO EXCEED THREE thousand dollars for each subsequent offense; or

(ii) to have harassed a tenant to obtain vacancy of his housing accommodation, the commissioner may impose by administrative order after 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 THREE THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED ELEVEN thousand dollars for each subsequent offense or for a violation consisting of conduct directed at the tenants of more than one housing accommodation.

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

(ii) to have harassed a tenant to obtain vacancy of his housing accommodation, the commissioner may impose by administrative order after 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 THREE THOUSAND DOLLARS FOR THE FIRST SUCH OFFENSE, AND AT MINIMUM IN THE AMOUNT OF TEN THOUSAND BUT NOT TO EXCEED ELEVEN thousand dollars for each subsequent offense or for a violation consisting of conduct directed at the tenants of more than one housing accommodation.

S 7. This act shall take effect immediately; provided, however, that:

1. the amendments to section 26-516 of chapter 4 of title 26 of the administrative code of the city of New York made by sections one and two of this act shall expire on the same date as such law expires and shall not affect the expiration of such law as provided under section 26-520 of such law;

2. the amendments to section 4 of the emergency tenant protection act of nineteen seventy-four made by sections five and six of this act shall expire on the same date as such act expires and shall not affect the expiration of such act as provided in section 17 of chapter 576 of the laws of 1974;

3. the amendments to section 26-413 of the city rent and rehabilitation law made by sections three and four of this act shall remain in full force and effect only as long as the public emergency requiring the regulation and control of residential rents and evictions continues, as provided in subdivision 3 of section 1 of the local emergency housing rent control act;

4. the amendments to paragraph 2 of subdivision c of section 26-516 of the administrative code of the city of New York made by section one of this act shall be subject to the expiration and reversion of such paragraph pursuant to section 46 of chapter 116 of the laws of 1997, as amended, when upon such date the provisions of section two of this act shall take effect;

5. the amendments to subparagraph (a) of paragraph 2 of subdivision b of section 26-413 of the administrative code of the city of New York made by section three of this act shall be subject to the expiration and reversion of such subparagraph pursuant to section 46 of chapter 116 of the laws of 1997, as amended, when upon such date the provisions of section four of this act shall take effect; and

6. the amendments to clause (ii) of paragraph 3 of subdivision a of section 12 of section 4 of chapter 576 of the laws of 1974 constituting the emergency tenant protection act of nineteen seventy-four made by section five of this act shall be subject to the expiration and reversion of such clause pursuant to section 46 of chapter 116 of the laws of 1997, as amended, when upon such date the provisions of section six of this act shall take effect.

PART E

Section 1. Notwithstanding any provision of law to the contrary, no apartment subject to the emergency tenant protection act of nineteen seventy-four, the rent stabilization law of nineteen hundred sixty-nine, the emergency housing rent control law and the local emergency rent contract act shall be authorized to be sublet for any period unless authorized to be sublet within any respective lease agreement and approval of such sublet is received from the division of housing and community renewal. Any amounts so charged by the sublessor to the sublessee for such sublet shall not exceed the proportional share of rent charged for such period by the lessor to the lessee. Any lessee found to be in violation of this act shall be subject to a penalty of one thousand dollars or three times the amount charged and received for such sublease. Such penalty shall be enforced by the New York state division of housing and community renewal.

S 2. This act shall take effect on the ninetieth day after it shall have become a law.

S 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

S 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through E of this act shall be as specifically set forth in the last section of such Parts.