

STATE OF NEW YORK

3107

2017-2018 Regular Sessions

IN SENATE

January 19, 2017

Introduced by Sens. SERRANO, AVELLA, HAMILTON, HOYLMAN, KRUEGER, PERALTA, SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four, in relation to limiting rent increase after vacancy of a housing accommodation

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

1 Section 1. Paragraph 5-a of subdivision c of section 26-511 of the
2 administrative code of the city of New York, as amended by section 16-a
3 of part A of chapter 20 of the laws of 2015, is amended to read as
4 follows:

5 (5-a) provides that, notwithstanding any provision of this chapter,
6 the legal regulated rent for any vacancy lease entered into after the
7 effective date of this paragraph shall be as hereinafter provided in
8 this paragraph. The previous legal regulated rent for such housing
9 accommodation shall be increased by the following: (i) if the vacancy
10 lease is for a term of two years, [~~twenty~~] ten percent of the previous
11 legal regulated rent; or (ii) if the vacancy lease is for a term of one
12 year the increase shall be [~~twenty~~] ten percent of the previous legal
13 regulated rent less an amount equal to the difference between (a) the
14 two year renewal lease guideline promulgated by the guidelines board of
15 the city of New York applied to the previous legal regulated rent and
16 (b) the one year renewal lease guideline promulgated by the guidelines
17 board of the city of New York applied to the previous legal regulated
18 rent. However, where the amount charged and paid by the prior tenant
19 pursuant to paragraph fourteen of this subdivision, was less than the
20 legal regulated rent, such increase to the legal regulated rent shall
21 not exceed: five percent of the previous legal regulated rent if the
22 last vacancy lease commenced less than two years ago; ten percent of the

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

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

33 § 2. Subdivision (a-1) of section 10 of section 4 of chapter 576 of
34 the laws of 1974, constituting the emergency tenant protection act of
35 nineteen seventy-four, as amended by section 16-b of part A of chapter
36 20 of the laws of 2015, is amended to read as follows:

37 (a-1) provides that, notwithstanding any provision of this act, the
38 legal regulated rent for any vacancy lease entered into after the effec-
39 tive date of this subdivision shall be as hereinafter set forth. The
40 previous legal regulated rent for such housing accommodation shall be
41 increased by the following: (i) if the vacancy lease is for a term of
42 two years, [~~twenty~~ ten] percent of the previous legal regulated rent; or
43 (ii) if the vacancy lease is for a term of one year the increase shall
44 be [~~twenty~~ ten] percent of the previous legal regulated rent less an
45 amount equal to the difference between (a) the two year renewal lease
46 guideline promulgated by the guidelines board of the county in which the
47 housing accommodation is located applied to the previous legal regulated
48 rent and (b) the one year renewal lease guideline promulgated by the
49 guidelines board of the county in which the housing accommodation is
50 located applied to the previous legal regulated rent. However, where the
51 amount charged and paid by the prior tenant pursuant to paragraph four-
52 teen of this subdivision, was less than the legal regulated rent, such
53 increase to the legal regulated rent shall not exceed: five percent of
54 the previous legal regulated rent if the last vacancy lease commenced
55 less than two years ago; ten percent of the previous legal regulated
56 rent if the last vacancy commenced less than three years ago; fifteen

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

31 § 3. This act shall take effect immediately; provided that the amend-
32 ments to section 26-511 of the rent stabilization law of nineteen
33 hundred sixty-nine made by section one of this act shall expire on the
34 same date as such law expires and shall not affect the expiration of
35 such law as provided under section 26-520 of such law; and provided,
36 further, that the amendments to section 4 of the emergency tenant
37 protection act of nineteen seventy-four made by section two of this act
38 shall expire on the same date as such act expires and shall not affect
39 the expiration of such act as provided in section 17 of chapter 576 of
40 the laws of 1974.