

# STATE OF NEW YORK

5772

2017-2018 Regular Sessions

## IN ASSEMBLY

February 15, 2017

Introduced by M. of A. CYMBROWITZ -- read once and referred to the Committee on Housing

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~~] three and one-half percent of  
11 the previous legal regulated rent; or (ii) if the vacancy lease is for a  
12 term of one year the increase shall be [~~twenty~~] three and one-half  
13 percent of the previous legal regulated rent less an amount equal to the  
14 difference between (a) the two year renewal lease guideline promulgated  
15 by the guidelines board of the city of New York applied to the previous  
16 legal regulated rent and (b) the one year renewal lease guideline  
17 promulgated by the guidelines board of the city of New York applied to  
18 the previous legal regulated rent. [~~However, where the amount charged~~

19 ~~and paid by the prior tenant pursuant to paragraph fourteen of this~~  
20 ~~subdivision, was less than the legal regulated rent, such increase to~~  
21 ~~the legal regulated rent shall not exceed: five percent of the previous~~  
22 ~~legal regulated rent if the last vacancy lease commenced less than two~~  
23 ~~years ago; ten percent of the previous legal regulated rent if the last~~  
24 ~~vacancy lease commenced less than three years ago; fifteen percent of~~

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

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~~the previous legal regulated rent if the last vacancy lease commenced less than four years ago, twenty percent of the previous legal regulated rent if the last vacancy lease commenced four or more years ago.~~ In addition, if the legal regulated rent was not increased with respect to such housing accommodation by a permanent vacancy allowance within eight years prior to a vacancy lease executed on or after the effective date of this paragraph, the legal regulated rent may be further increased by an amount equal to the product resulting from multiplying such previous legal regulated rent by six-tenths of one percent and further multiplying the amount of rent increase resulting therefrom by the greater of (A) the number of years since the imposition of the last permanent vacancy allowance, or (B) if the rent was not increased by a permanent vacancy allowance since the housing accommodation became subject to this chapter, the number of years that such housing accommodation has been subject to this chapter. Provided that if the previous legal regulated rent was less than three hundred dollars the total increase shall be as calculated above plus one hundred dollars per month. Provided, further, that if the previous legal regulated rent was at least three hundred dollars and no more than five hundred dollars in no event shall the total increase pursuant to this paragraph be less than one hundred dollars per month. Such increase shall be in lieu of any allowance authorized for the one or two year renewal component thereof, but shall be in addition to any other increases authorized pursuant to this chapter including an adjustment based upon a major capital improvement, or a substantial modification or increase of dwelling space or services, or installation of new equipment or improvements or new furniture or furnishings provided in or to the housing accommodation pursuant to this section. The increase authorized in this paragraph may not be implemented more than one time in any calendar year, notwithstanding the number of vacancy leases entered into in such year.

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

(a-1) provides that, notwithstanding any provision of this act, the legal regulated rent for any vacancy lease entered into after the effective date of this subdivision shall be as hereinafter set forth. The previous legal regulated rent for such housing accommodation shall be increased by the following: (i) if the vacancy lease is for a term of two years, ~~twenty~~ three and one-half percent of the previous legal regulated rent; or (ii) if the vacancy lease is for a term of one year the increase shall be ~~twenty~~ three and one-half percent of the previous legal regulated rent less an amount equal to the difference between (a) the two year renewal lease guideline promulgated by the guidelines board of the county in which the housing accommodation is located applied to the previous legal regulated rent and (b) the one year renewal lease guideline promulgated by the guidelines board of the county in which the housing accommodation is located applied to the previous legal regulated rent. ~~[However, where the amount charged and paid by the prior tenant pursuant to paragraph fourteen of this subdivision, was less than the legal regulated rent, such increase to the legal regulated rent shall not exceed: five percent of the previous legal regulated rent if the last vacancy lease commenced less than two years ago; ten percent of the previous legal regulated rent if the last vacancy lease commenced less than three years ago; fifteen percent of the previous legal regulated rent if the last vacancy lease commenced less than four~~

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

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