

STATE OF NEW YORK

6770

2017-2018 Regular Sessions

IN ASSEMBLY

March 17, 2017

Introduced by M. of A. KOLB, FITZPATRICK, RAIA, MONTESANO -- Multi-Sponsored by -- M. of A. BARCLAY, CROUCH, OAKS -- read once and referred to the Committee on Housing

AN ACT to amend the emergency housing rent control law, the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four, in relation to eliminating rent regulation protections for certain high income tenants; to amend the emergency housing rent control law, the local emergency housing rent control act, the emergency tenant protection act of nineteen seventy-four and the administrative code of the city of New York, in relation to the deregulation of rent-stabilized housing accommodations upon vacancy; and to repeal certain provisions of the emergency housing rent control law, the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four relating to eliminating rent regulation protections for certain high income tenants

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

1 Section 1. Paragraph (n) of subdivision 2 of section 2 of chapter 274
2 of the laws of 1946 constituting the emergency housing rent control law
3 is REPEALED.
4 § 2. Section 2-a of chapter 274 of the laws of 1946, constituting the
5 emergency housing rent control law, as amended by section 32 of part B
6 of chapter 97 of the laws of 2011, paragraph 3 of subdivision (a) as
7 amended by section 14 of part A of chapter 20 of the laws of 2015, is
8 amended to read as follows:
9 § 2-a. (a) 1. For purposes of this section, annual income shall mean
10 the federal adjusted gross income as reported on the New York state
11 income tax return. Total annual income means the sum of the annual
12 incomes of all persons who occupy the housing accommodation as their
13 primary residence on other than a temporary basis, excluding bona fide

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

LBD10073-01-7

1 employees of such occupants residing therein in connection with such
2 employment and excluding bona fide subtenants in occupancy pursuant to
3 the provisions of section two hundred twenty-six-b of the real property
4 law. In the case where a housing accommodation is sublet, the annual
5 income of the sublessor shall be considered.

6 2. Deregulation income threshold means total annual income equal to
7 one hundred seventy-five thousand dollars in each of the two preceding
8 calendar years for proceedings commenced before July first, two thousand
9 eleven. For proceedings commenced on or after July first, two thousand
10 ~~eleven~~ sixteen, the deregulation income threshold means the total
11 annual income equal to ~~two hundred~~ one hundred twenty-five thousand
12 dollars in each of the two preceding calendar years.

13 ~~[3. Deregulation rent threshold means two thousand dollars for
14 proceedings commenced prior to July first, two thousand eleven. For
15 proceedings commenced on or after July first, two thousand eleven, the
16 deregulation rent threshold means two thousand five hundred dollars. For
17 proceedings commenced on or after July first, two thousand fifteen, the
18 deregulation rent threshold means two thousand seven hundred dollars,
19 provided, however, that on January 1, 2016, and annually thereafter, the
20 maximum legal regulated rent for this deregulation threshold shall be
21 adjusted by the same percentage as the most recent one year renewal
22 adjustment adopted by the rent guidelines board.]~~

23 (b) On or before the first day of May in each calendar year, the owner
24 of each housing accommodation ~~[for which the maximum monthly rent equals
25 or exceeds the deregulation rent threshold]~~ may provide the tenant or
26 tenants residing therein with an income certification form prepared by
27 the division of housing and community renewal on which such tenant or
28 tenants shall identify all persons referred to in subdivision (a) of
29 this section and shall certify whether the total annual income is in
30 excess of the deregulation income threshold in each of the two preceding
31 calendar years. Such income certification form shall state that the
32 income level certified to by the tenant may be subject to verification
33 by the department of taxation and finance pursuant to section one
34 hundred seventy-one-b of the tax law and shall not require disclosure of
35 any income information other than whether the aforementioned threshold
36 has been exceeded. Such income certification form shall clearly state
37 that: (i) ~~[only tenants residing in housing accommodations which had a
38 maximum monthly rent equal to or in excess of the deregulation rent
39 threshold are required to complete the certification form; (ii) that]~~
40 tenants have protections available to them which are designed to prevent
41 harassment; ~~[(iii) that]~~ and (ii) tenants are not required to provide
42 any information regarding their income except that which is requested on
43 the form and may contain such other information the division deems
44 appropriate. The tenant or tenants shall return the completed certifi-
45 cation to the owner within thirty days after service upon the tenant or
46 tenants. In the event that the total annual income as certified is in
47 excess of the deregulation income threshold in each of the two preceding
48 calendar years, the owner may file the certification with the state
49 division of housing and community renewal on or before June thirtieth of
50 such year. Upon filing such certification with the division, the divi-
51 sion shall, within thirty days after the filing, issue an order of
52 deregulation providing that such housing accommodations shall not be
53 subject to the provisions of this law as of the first day of June in the
54 year next succeeding the filing of the certification by the owner. A
55 copy of such order shall be mailed by regular and certified mail, return

1 receipt requested, to the tenant or tenants and a copy thereof shall be
2 mailed to the owner.

3 (c) 1. In the event that the tenant or tenants either fail to return
4 the completed certification to the owner on or before the date required
5 by subdivision (b) of this section or the owner disputes the certifi-
6 cation returned by the tenant or tenants, the owner may, on or before
7 June thirtieth of such year, petition the state division of housing and
8 community renewal to verify, pursuant to section one hundred seventy-
9 one-b of the tax law, whether the total annual income exceeds the dereg-
10 ulation income threshold in each of the two preceding calendar years.
11 Within twenty days after the filing of such request with the division,
12 the division shall notify the tenant or tenants that such tenant or
13 tenants must provide the division with such information as the division
14 and the department of taxation and finance shall require to verify
15 whether the total annual income exceeds the deregulation income thresh-
16 old in each of the two preceding calendar years. The division's notifi-
17 cation shall require the tenant or tenants to provide the information to
18 the division within sixty days of service upon such tenant or tenants
19 and shall include a warning in bold faced type that failure to respond
20 will result in an order of deregulation being issued by the division for
21 such housing accommodation.

22 2. If the department of taxation and finance determines that the total
23 annual income is in excess of the deregulation income threshold in each
24 of the two preceding calendar years, the division shall, on or before
25 November fifteenth of such year, notify the owner and tenants of the
26 results of such verification. Both the owner and the tenants shall have
27 thirty days within which to comment on such verification results. Within
28 forty-five days after the expiration of the comment period, the division
29 shall, where appropriate, issue an order of deregulation providing that
30 such housing accommodation shall not be subject to the provisions of
31 this law as of the first day of March in the year next succeeding the
32 filing of the owner's petition with the division. A copy of such order
33 shall be mailed by regular and certified mail, return receipt requested,
34 to the tenant or tenants and a copy thereof shall be sent to the owner.

35 3. In the event the tenant or tenants fail to provide the information
36 required pursuant to paragraph one of this subdivision, the division
37 shall issue, on or before December first of such year, an order of
38 deregulation providing that such housing accommodation shall not be
39 subject to the provisions of this law as of the first day of March in
40 the year next succeeding the last day on which the tenant or tenants
41 were required to provide the information required by such paragraph. A
42 copy of such order shall be mailed by regular and certified mail, return
43 receipt requested, to the tenant or tenants and a copy thereof shall be
44 sent to the owner.

45 4. The provisions of the state freedom of information act shall not
46 apply to any income information obtained by the division pursuant to
47 this section.

48 (d) This section shall apply only to paragraph (m) of subdivision two
49 of section two of this law.

50 (e) Upon receipt of such order of deregulation pursuant to this
51 section, an owner shall offer the housing accommodation subject to such
52 order to the tenant at a rent not in excess of the market rent, which
53 for the purposes of this section means a rent obtainable in an arm's
54 length transaction. Such rental offer shall be made by the owner in
55 writing to the tenant by certified and regular mail and shall inform the
56 tenant that such offer must be accepted in writing within ten days of

1 receipt. The tenant shall respond within ten days after receipt of such
2 offer. If the tenant declines the offer or fails to respond within such
3 period, the owner may commence an action or proceeding for the eviction
4 of such tenant.

5 § 3. Section 26-403.1 of the administrative code of the city of New
6 York, as amended by section 34 of part B of chapter 97 of the laws of
7 2011, and paragraph 3 of subdivision (a) as amended by section 15 of
8 part A of chapter 20 of the laws of 2015, is amended to read as follows:

9 § 26-403.1 High income rent deregulation. (a) 1. For purposes of this
10 section, annual income shall mean the federal adjusted gross income as
11 reported on the New York state income tax return. Total annual income
12 means the sum of the annual incomes of all persons who occupy the hous-
13 ing accommodation as their primary residence other than on a temporary
14 basis, excluding bona fide employees of such occupants residing therein
15 in connection with such employment and excluding bona fide subtenants in
16 occupancy pursuant to the provisions of section two hundred twenty-six-b
17 of the real property law. In the case where a housing accommodation is
18 sublet, the annual income of the sublessor shall be considered.

19 2. Deregulation income threshold means total annual income equal to
20 one hundred seventy-five thousand dollars in each of the two preceding
21 calendar years for proceedings commenced prior to July first, two thou-
22 sand eleven. For proceedings commenced on or after July first, two thou-
23 sand ~~eleven~~ sixteen, the deregulation income threshold means the total
24 annual income equal to ~~two hundred~~ one hundred twenty-five thousand
25 dollars in each of the two preceding calendar years.

26 ~~[3. Deregulation rent threshold means two thousand dollars for~~
27 ~~proceedings commenced before July first, two thousand eleven. For~~
28 ~~proceedings commenced on or after July first, two thousand eleven, the~~
29 ~~deregulation rent threshold means two thousand five hundred dollars. For~~
30 ~~proceedings commenced on or after July first, two thousand fifteen, the~~
31 ~~deregulation rent threshold means two thousand seven hundred dollars,~~
32 ~~provided, however, that on January first, two thousand sixteen, and~~
33 ~~annually thereafter, such deregulation rent threshold shall be adjusted~~
34 ~~by the same percentage as the most recent one year renewal adjustment~~
35 ~~adopted by the relevant guidelines board.]~~

36 (b) On or before the first day of May in each calendar year, the owner
37 of each housing accommodation ~~[for which the maximum rent equals or~~
38 ~~exceeds the deregulation rent threshold]~~ may provide the tenant or
39 tenants residing therein with an income certification form prepared by
40 the division of housing and community renewal on which such tenant or
41 tenants shall identify all persons referred to in subdivision (a) of
42 this section and shall certify whether the total annual income is in
43 excess of the deregulation income threshold in each of the two preceding
44 calendar years. Such income certification form shall state that the
45 income level certified to by the tenant may be subject to verification
46 by the department of taxation and finance pursuant to section one
47 hundred seventy-one-b of the tax law and shall not require disclosure of
48 any income information other than whether the aforementioned threshold
49 has been exceeded. Such income certification form shall clearly state
50 that: (i) ~~[only tenants residing in housing accommodations which have a~~
51 ~~maximum monthly rent that equals or exceeds the deregulation rent thres-~~
52 ~~hold are required to complete the certification form; (ii) that]~~ tenants
53 have protections available to them which are designed to prevent harass-
54 ment; ~~[(iii) that]~~ and (ii) tenants are not required to provide any
55 information regarding their income except that which is requested on the
56 form and may contain such other information the division deems appropri-

1 ate. The tenant or tenants shall return the completed certification to
2 the owner within thirty days after service upon the tenant or tenants.
3 In the event that the total annual income as certified is in excess of
4 the deregulation income threshold in each of the two preceding calendar
5 years, the owner may file the certification with the state division of
6 housing and community renewal on or before June thirtieth of such year.
7 Upon filing such certification with the division, the division shall,
8 within thirty days after the filing, issue an order of deregulation
9 providing that such housing accommodations shall not be subject to the
10 provisions of this law as of the first day of June in the year next
11 succeeding the filing of the certification by the owner. A copy of such
12 order shall be mailed by regular and certified mail, return receipt
13 requested, to the tenant or tenants and a copy thereof shall be mailed
14 to the owner.

15 (c) 1. In the event that the tenant or tenants either fail to return
16 the completed certification to the owner on or before the date required
17 by subdivision (b) of this section or the owner disputes the certifi-
18 cation returned by the tenant or tenants, the owner may, on or before
19 June thirtieth of such year, petition the state division of housing and
20 community renewal to verify, pursuant to section one hundred seventy-
21 one-b of the tax law, whether the total annual income exceeds the dereg-
22 ulation income threshold in each of the two preceding calendar years.
23 Within twenty days after the filing of such request with the division,
24 the division shall notify the tenant or tenants that such tenant or
25 tenants must provide the division with such information as the division
26 and the department of taxation and finance shall require to verify
27 whether the total annual income exceeds the deregulation income thresh-
28 old in each of the two preceding calendar years. The division's notifi-
29 cation shall require the tenant or tenants to provide the information to
30 the division within sixty days of service upon such tenant or tenants
31 and shall include a warning in bold faced type that failure to respond
32 will result in an order of deregulation being issued by the division for
33 such housing accommodation.

34 2. If the department of taxation and finance determines that the total
35 annual income is in excess of the deregulation income threshold in each
36 of the two preceding calendar years, the division shall, on or before
37 November fifteenth of such year, notify the owner and tenants of the
38 results of such verification. Both the owner and the tenants shall have
39 thirty days within which to comment on such verification results. Within
40 forty-five days after the expiration of the comment period, the division
41 shall, where appropriate, issue an order of deregulation providing that
42 such housing accommodation shall not be subject to the provisions of
43 this law as of the first day of March in the year next succeeding the
44 filing of the owner's petition with the division. A copy of such order
45 shall be mailed by regular and certified mail, return receipt requested,
46 to the tenant or tenants and a copy thereof shall be sent to the owner.

47 3. In the event the tenant or tenants fail to provide the information
48 required pursuant to paragraph one of this subdivision, the division
49 shall issue, on or before December first of such year, an order of
50 deregulation providing that such housing accommodation shall not be
51 subject to the provisions of this law as of the first day of March in
52 the year next succeeding the last day on which the tenant or tenants
53 were required to provide the information required by such paragraph. A
54 copy of such order shall be mailed by regular and certified mail, return
55 receipt requested, to the tenant or tenants and a copy thereof shall be
56 sent to the owner.

1 4. The provisions of the state freedom of information act shall not
2 apply to any income information obtained by the division pursuant to
3 this section.

4 (d) This section shall apply only to subparagraph (j) of paragraph two
5 of subdivision e of section 26-403 of this chapter.

6 (e) Upon receipt of such order of deregulation pursuant to this
7 section, an owner shall offer the housing accommodation subject to such
8 order to the tenant at a rent not in excess of the market rent, which
9 for the purposes of this section means a rent obtainable in an arm's
10 length transaction. Such rental offer shall be made by the owner in
11 writing to the tenant by certified and regular mail and shall inform the
12 tenant that such offer must be accepted in writing within ten days of
13 receipt. The tenant shall respond within ten days after receipt of such
14 offer. If the tenant declines the offer or fails to respond within such
15 period, the owner may commence an action or proceeding for the eviction
16 of such tenant.

17 § 4. Subparagraph (k) of paragraph 2 of subdivision e of section
18 26-403 of the administrative code of the city of New York is REPEALED.

19 § 5. Section 26-504.1 of the administrative code of the city of New
20 York, as amended by section 35 of part B of chapter 97 of the laws of
21 2011, is amended to read as follows:

22 § 26-504.1 Exclusion of accommodations of high income renters. Upon
23 the issuance of an order by the division, "housing accommodations" shall
24 not include housing accommodations which~~[-(1)]~~ are occupied by persons
25 who have a total annual income, as defined in and subject to the limita-
26 tions and process set forth in section 26-504.3 of this chapter, in
27 excess of the deregulation income threshold, as defined in section
28 26-504.3 of this chapter, for each of the two preceding calendar years~~[+
29 and (2) have a legal regulated monthly rent that equals or exceeds the
30 deregulation rent threshold, as defined in section 26-504.3 of this
31 chapter]~~. Provided, however, that this exclusion shall not apply to
32 housing accommodations which became or become subject to this law (a) by
33 virtue of receiving tax benefits pursuant to section four hundred twen-
34 ty-one-a or four hundred eighty-nine of the real property tax law,
35 except as otherwise provided in subparagraph (i) of paragraph (f) of
36 subdivision two of section four hundred twenty-one-a of the real proper-
37 ty tax law, or (b) by virtue of article seven-C of the multiple dwelling
38 law.

39 § 6. Section 26-504.2 of the administrative code of the city of New
40 York is REPEALED.

41 § 7. Section 26-504.3 of the administrative code of the city of New
42 York, as amended by section 36 of part B of chapter 97 of the laws of
43 2011, and paragraph 3 of subdivision (a) as amended by section 16 of
44 part A of chapter 20 of the laws of 2015, is amended to read as follows:

45 § 26-504.3 High income rent deregulation. (a) 1. For purposes of this
46 section, annual income shall mean the federal adjusted gross income as
47 reported on the New York state income tax return. Total annual income
48 means the sum of the annual incomes of all persons whose names are
49 recited as the tenant or co-tenant on a lease who occupy the housing
50 accommodation and all other persons that occupy the housing accommo-
51 dation as their primary residence on other than a temporary basis,
52 excluding bona fide employees of such occupants residing therein in
53 connection with such employment and excluding bona fide subtenants in
54 occupancy pursuant to the provisions of section two hundred twenty-six-b
55 of the real property law. In the case where a housing accommodation is
56 sublet, the annual income of the tenant or co-tenant recited on the

1 lease who will reoccupy the housing accommodation upon the expiration of
2 the sublease shall be considered.

3 2. Deregulation income threshold means total annual income equal to
4 one hundred seventy-five thousand dollars in each of the two preceding
5 calendar years for proceedings commenced before July first, two thousand
6 eleven. For proceedings commenced on or after July first, two thousand
7 ~~eleven~~ sixteen, the deregulation income threshold means the total
8 annual income equal to ~~two hundred~~ one hundred twenty-five thousand
9 dollars in each of the two preceding calendar years.

10 ~~[3. Deregulation rent threshold means two thousand dollars for
11 proceedings commenced before July first, two thousand eleven. For
12 proceedings commenced on or after July first, two thousand eleven, the
13 deregulation rent threshold means two thousand five hundred dollars. For
14 proceedings commenced on or after July first, two thousand fifteen, the
15 deregulation rent threshold means two thousand seven hundred dollars,
16 provided, however, that on January first, two thousand sixteen, and
17 annually thereafter, such deregulation rent threshold shall be adjusted
18 by the same percentage as the most recent one year renewal adjustment
19 adopted by the relevant guidelines board.]~~

20 (b) On or before the first day of May in each calendar year, the owner
21 of each housing accommodation ~~[for which the legal regulated rent equals
22 or exceeds the deregulation rent threshold]~~ may provide the tenant or
23 tenants residing therein with an income certification form prepared by
24 the division of housing and community renewal on which such tenant or
25 tenants shall identify all persons referred to in subdivision (a) of
26 this section and shall certify whether the total annual income is in
27 excess of the deregulation income threshold in each of the two preceding
28 calendar years. Such income certification form shall state that the
29 income level certified to by the tenant may be subject to verification
30 by the department of taxation and finance pursuant to section one
31 hundred seventy-one-b of the tax law and shall not require disclosure of
32 any income information other than whether the aforementioned threshold
33 has been exceeded. Such income certification form shall clearly state
34 that: (i) ~~[only tenants residing in housing accommodations which have a
35 legal regulated monthly rent, that equals or exceeds the deregulation
36 rent threshold are required to complete the certification form; (ii)
37 that]~~ tenants have protections available to them which are designed to
38 prevent harassment; ~~[(iii) that]~~ and (ii) tenants are not required to
39 provide any information regarding their income except that which is
40 requested on the form and may contain such other information the divi-
41 sion deems appropriate. The tenant or tenants shall return the completed
42 certification to the owner within thirty days after service upon the
43 tenant or tenants. In the event that the total annual income as certi-
44 fied is in excess of the deregulation income threshold in each of the
45 two preceding calendar years, the owner may file the certification with
46 the state division of housing and community renewal on or before June
47 thirtieth of such year. Upon filing such certification with the divi-
48 sion, the division shall, within thirty days after the filing, issue an
49 order providing that such housing accommodation shall not be subject to
50 the provisions of this act upon the expiration of the existing lease. A
51 copy of such order shall be mailed by regular and certified mail, return
52 receipt requested, to the tenant or tenants and a copy thereof shall be
53 mailed to the owner.

54 (c) 1. In the event that the tenant or tenants either fail to return
55 the completed certification to the owner on or before the date required
56 by subdivision (b) of this section or the owner disputes the certif-

1 ication returned by the tenant or tenants, the owner may, on or before
2 June thirtieth of such year, petition the state division of housing and
3 community renewal to verify, pursuant to section one hundred seventy-
4 one-b of the tax law, whether the total annual income exceeds the dereg-
5 ulation income threshold in each of the two preceding calendar years.
6 Within twenty days after the filing of such request with the division,
7 the division shall notify the tenant or tenants named on the lease that
8 such tenant or tenants must provide the division with such information
9 as the division and the department of taxation and finance shall require
10 to verify whether the total annual income exceeds the deregulation
11 income threshold in each of the two preceding calendar years. The divi-
12 sion's notification shall require the tenant or tenants to provide the
13 information to the division within sixty days of service upon such
14 tenant or tenants and shall include a warning in bold faced type that
15 failure to respond will result in an order being issued by the division
16 providing that such housing accommodation shall not be subject to the
17 provisions of this law.

18 2. If the department of taxation and finance determines that the total
19 annual income is in excess of the deregulation income threshold in each
20 of the two preceding calendar years, the division shall, on or before
21 November fifteenth of such year, notify the owner and tenants of the
22 results of such verification. Both the owner and the tenants shall have
23 thirty days within which to comment on such verification results. Within
24 forty-five days after the expiration of the comment period, the division
25 shall, where appropriate, issue an order providing that such housing
26 accommodation shall not be subject to the provisions of this law upon
27 the expiration of the existing lease. A copy of such order shall be
28 mailed by regular and certified mail, return receipt requested, to the
29 tenant or tenants and a copy thereof shall be sent to the owner.

30 3. In the event the tenant or tenants fail to provide the information
31 required pursuant to paragraph one of this subdivision, the division
32 shall issue, on or before December first of such year, an order provid-
33 ing that such housing accommodation shall not be subject to the
34 provisions of this law upon the expiration of the current lease. A copy
35 of such order shall be mailed by regular and certified mail, return
36 receipt requested, to the tenant or tenants and a copy thereof shall be
37 sent to the owner.

38 4. The provisions of the state freedom of information act shall not
39 apply to any income information obtained by the division pursuant to
40 this section.

41 (d) This section shall apply only to section 26-504.1 of this chapter.

42 (e) Upon receipt of such order of deregulation pursuant to this
43 section, an owner shall offer the housing accommodation subject to such
44 order to the tenant at a rent not in excess of the market rent, which
45 for the purposes of this section means a rent obtainable in an arm's
46 length transaction. Such rental offer shall be made by the owner in
47 writing to the tenant by certified and regular mail and shall inform the
48 tenant that such offer must be accepted in writing within ten days of
49 receipt. The tenant shall respond within ten days after receipt of such
50 offer. If the tenant declines the offer or fails to respond within such
51 period, the owner may commence an action or proceeding for the eviction
52 of such tenant.

53 § 8. Paragraph 13 of subdivision a of section 5 of section 4 of chap-
54 ter 576 of the laws of 1974 constituting the emergency tenant protection
55 act of nineteen seventy-four is REPEALED.

1 § 9. Section 5-a of section 4 of chapter 576 of the laws of 1974,
2 constituting the emergency tenant protection act of nineteen seventy-
3 four, as amended by section 30 of part B of chapter 97 of the laws of
4 2011, and paragraph 3 of subdivision (a) as amended by section 13 of
5 part A of chapter 20 of the laws of 2015, is amended to read as follows:

6 § 5-a. High income rent deregulation. (a) 1. For purposes of this
7 section, annual income shall mean the federal adjusted gross income as
8 reported on the New York state income tax return. Total annual income
9 means the sum of the annual incomes of all persons whose names are
10 recited as the tenant or co-tenant on a lease who occupy the housing
11 accommodation and all other persons that occupy the housing accommo-
12 dation as their primary residence on other than a temporary basis,
13 excluding bona fide employees of such occupants residing therein in
14 connection with such employment and excluding bona fide subtenants in
15 occupancy pursuant to the provisions of section two hundred twenty-six-b
16 of the real property law. In the case where a housing accommodation is
17 sublet, the annual income of the tenant or co-tenant recited on the
18 lease who will reoccupy the housing accommodation upon the expiration of
19 the sublease shall be considered.

20 2. Deregulation income threshold means total annual income equal to
21 one hundred seventy-five thousand dollars in each of the two preceding
22 calendar years for proceedings commenced before July first, two thousand
23 eleven. For proceedings commenced on or after July first, two thousand
24 ~~eleven~~ sixteen, the deregulation income threshold means the total
25 annual income equal to ~~two hundred~~ one hundred twenty-five thousand
26 dollars in each of the two preceding calendar years.

27 ~~[3. Deregulation rent threshold means two thousand dollars for~~
28 ~~proceedings commenced before July first, two thousand eleven. For~~
29 ~~proceedings commenced on or after July first, two thousand eleven, the~~
30 ~~deregulation rent threshold means two thousand five hundred dollars.~~
31 ~~For proceedings commenced on or after July first, two thousand fifteen,~~
32 ~~the deregulation rent threshold means two thousand seven hundred~~
33 ~~dollars, provided, however that on January 1, 2016, and annually there-~~
34 ~~after, the maximum legal regulated rent for this deregulation threshold~~
35 ~~shall be adjusted by the same percentage as the most recent one year~~
36 ~~renewal adjustment adopted by the rent guidelines board.]~~

37 (b) On or before the first day of May in each calendar year, the owner
38 of each housing accommodation ~~[for which the legal regulated monthly~~
39 ~~rent equals or exceeds the deregulation rent threshold]~~ may provide the
40 tenant or tenants residing therein with an income certification form
41 prepared by the division of housing and community renewal on which such
42 tenant or tenants shall identify all persons referred to in subdivision
43 (a) of this section and shall certify whether the total annual income is
44 in excess of the deregulation income threshold in each of the two
45 preceding calendar years. Such income certification form shall state
46 that the income level certified to by the tenant may be subject to
47 verification by the department of taxation and finance pursuant to
48 section one hundred seventy-one-b of the tax law, and shall not require
49 disclosure of any information other than whether the aforementioned
50 threshold has been exceeded. Such income certification form shall clear-
51 ly state that: (i) ~~[only tenants residing in housing accommodations~~
52 ~~which had a legal regulated monthly rent that equals or exceeds the~~
53 ~~deregulation rent threshold are required to complete the certification~~
54 ~~form; (ii) that]~~ tenants have protections available to them which are
55 designed to prevent harassment; ~~[(iii) that]~~ and (ii) tenants are not
56 required to provide any information regarding their income except that

1 which is requested on the form and may contain such other information
2 the division deems appropriate. The tenant or tenants shall return the
3 completed certification to the owner within thirty days after service
4 upon the tenant or tenants. In the event that the total annual income as
5 certified is in excess of the deregulation income threshold in each of
6 the two preceding calendar years, the owner may file the certification
7 with the state division of housing and community renewal on or before
8 June thirtieth of such year. Upon filing such certification with the
9 division, the division shall, within thirty days after the filing, issue
10 an order providing that such housing accommodation shall not be subject
11 to the provisions of this act upon the expiration of the existing lease.
12 A copy of such order shall be mailed by regular and certified mail,
13 return receipt requested, to the tenant or tenants and a copy thereof
14 shall be mailed to the owner.

15 (c) 1. In the event that the tenant or tenants either fail to return
16 the completed certification to the owner on or before the date required
17 by subdivision (b) of this section or the owner disputes the certifi-
18 cation returned by the tenant or tenants, the owner may, on or before
19 June thirtieth of such year, petition the state division of housing and
20 community renewal to verify, pursuant to section one hundred seventy-
21 one-b of the tax law, whether the total annual income exceeds the dereg-
22 ulation income threshold in each of the two preceding calendar years.
23 Within twenty days after the filing of such request with the division,
24 the division shall notify the tenant or tenants that such tenant or
25 tenants named on the lease must provide the division with such informa-
26 tion as the division and the department of taxation and finance shall
27 require to verify whether the total annual income exceeds the dereg-
28 ulation income threshold in each of the two preceding calendar years. The
29 division's notification shall require the tenant or tenants to provide
30 the information to the division within sixty days of service upon such
31 tenant or tenants and shall include a warning in bold faced type that
32 failure to respond will result in an order being issued by the division
33 providing that such housing accommodations shall not be subject to the
34 provisions of this act.

35 2. If the department of taxation and finance determines that the total
36 annual income is in excess of the deregulation income threshold in each
37 of the two preceding calendar years, the division shall, on or before
38 November fifteenth of such year, notify the owner and tenants of the
39 results of such verification. Both the owner and the tenants shall have
40 thirty days within which to comment on such verification results. Within
41 forty-five days after the expiration of the comment period, the division
42 shall, where appropriate, issue an order providing that such housing
43 accommodation shall not be subject to the provisions of this act upon
44 expiration of the existing lease. A copy of such order shall be mailed
45 by regular and certified mail, return receipt requested, to the tenant
46 or tenants and a copy thereof shall be sent to the owner.

47 3. In the event the tenant or tenants fail to provide the information
48 required pursuant to paragraph one of this subdivision, the division
49 shall issue, on or before December first of such year, an order provid-
50 ing that such housing accommodation shall not be subject to the
51 provisions of this act upon the expiration of the current lease. A copy
52 of such order shall be mailed by regular and certified mail, return
53 receipt requested, to the tenant or tenants and a copy thereof shall be
54 sent to the owner.

1 4. The provisions of the state freedom of information act shall not
2 apply to any income information obtained by the division pursuant to
3 this section.

4 (d) This section shall apply only to paragraph twelve of subdivision a
5 of section five of this act.

6 (e) Upon receipt of such order of deregulation pursuant to this
7 section, an owner shall offer the housing accommodation subject to such
8 order to the tenant at a rent not in excess of the market rent, which
9 for the purposes of this section means a rent obtainable in an arm's
10 length transaction. Such rental offer shall be made by the owner in
11 writing to the tenant by certified and regular mail and shall inform the
12 tenant that such offer must be accepted in writing within ten days of
13 receipt. The tenant shall respond within ten days after receipt of such
14 offer. If the tenant declines the offer or fails to respond within such
15 period, the owner may commence an action or proceeding for the eviction
16 of such tenant.

17 § 10. Paragraph (i) of subdivision 2 of section 2 of chapter 274 of
18 the laws of 1946, constituting the emergency housing rent control law,
19 as amended by chapter 576 of the laws of 1974, is amended to read as
20 follows:

21 (i) housing accommodations which become vacant on and after June
22 sixteenth, two thousand seventeen, provided, however, that this
23 exemption shall not apply or become effective where the commission
24 determines or finds that the housing accommodations became vacant
25 because the landlord or any person acting on his behalf, with intent to
26 cause the tenant to vacate, engaged in any course of conduct (including,
27 but not limited to, interruption or discontinuance of essential
28 services) which interfered with or disturbed or was intended to inter-
29 fere with or disturb the comfort, repose, peace or quiet of the tenant
30 in his use or occupancy of the housing accommodations; [~~and further~~
31 ~~provided that housing accommodations as to which a housing emergency has~~
32 ~~been declared pursuant to the emergency tenant protection act of nine-~~
33 ~~teen seventy-four shall be subject to the provisions of such act for the~~
34 ~~duration of such emergency;~~] or

35 § 11. The second undesignated paragraph of subdivision 5 of section 1
36 of chapter 21 of the laws of 1962, constituting the local emergency
37 housing rent control act, as amended by chapter 82 of the laws of 2003,
38 is amended to read as follows:

39 Notwithstanding any local law or ordinance, housing accommodations
40 which [~~became~~ become vacant on or after [~~July first, nineteen hundred~~
41 ~~seventy one or which hereafter become vacant~~] June sixteenth, two thou-
42 sand seventeen shall be [~~subject to the provisions of the emergency~~
43 ~~tenant protection act of nineteen seventy-four~~] exempt from regulation
44 and control, provided, however, that this [~~provision~~] exemption shall
45 not apply or become effective with respect to housing accommodations
46 which, by local law or ordinance, are made directly subject to regu-
47 lation and control by a city housing rent agency and such agency deter-
48 mines or finds that the housing accommodations became vacant because the
49 landlord or any person acting on his behalf, with intent to cause the
50 tenant to vacate, engaged in any course of conduct (including but not
51 limited to, interruption or discontinuance of essential services) which
52 interfered with or disturbed or was intended to interfere with or
53 disturb the comfort, repose, peace or quiet of the tenant in his use or
54 occupancy of the housing accommodations. The removal of any housing
55 accommodation from regulation and control of rents pursuant to the
56 vacancy exemption provided for in this paragraph shall not constitute or

1 operate as a ground for the subjection to more stringent regulation and
2 control of any housing accommodation in such property or in any other
3 property owned by the same landlord, notwithstanding any prior agreement
4 to the contrary by the landlord. The vacancy exemption provided for in
5 this paragraph shall not arise with respect to any rented plot or parcel
6 of land otherwise subject to the provisions of this act, by reason of a
7 transfer of title and possession occurring on or after July first, nine-
8 teen hundred seventy-one of a dwelling located on such plot or parcel
9 and owned by the tenant where such transfer of title and possession is
10 made to a member of the tenant's immediate family provided that the
11 member of the tenant's immediate family occupies the dwelling with the
12 tenant prior to the transfer of title and possession for a continuous
13 period of two years.

14 § 12. Paragraph (h) of subdivision 10 of section 1 of chapter 21 of
15 the laws of 1962, constituting the local emergency housing rent control
16 act, as amended by chapter 576 of the laws of 1974, is amended to read
17 as follows:

18 (h) Any tenant who has vacated his housing accommodations because the
19 landlord or any person acting on his behalf, with intent to cause the
20 tenant to vacate, engaged in any course of conduct (including but not
21 limited to, interruption or discontinuance of essential services) which
22 interfered with or disturbed or was intended to interfere with or
23 disturb the comfort, repose, peace or quiet of the tenant in his use or
24 occupancy of the housing accommodations may, within ninety days after
25 vacating, apply for a determination that the housing accommodations were
26 vacated as a result of such conduct, and may, within one year after such
27 determination, institute a civil action against the landlord by reason
28 of such conduct. Application for such determination may be made to the
29 [~~city housing rent agency with respect to housing accommodations which,
30 by local law or ordinance, are made directly subject to regulation and
31 control by such agency. For all other housing accommodations subject
32 to regulation and control pursuant to the New York city rent stabiliza-
33 tion law of nineteen hundred sixty-nine, application for such determi-
34 nation may be made to the New York city conciliation and appeals board.
35 For the purpose of making and enforcing any determination of the New
36 York city conciliation and appeals board as herein provided, the
37 provisions of sections seven, eight and ten, whenever they refer to the
38 city housing rent agency, shall be deemed to refer to such board]~~ state
39 division of housing and community renewal. In such action the landlord
40 shall be liable to the tenant for three times the damages sustained on
41 account of such conduct plus reasonable attorney's fees and costs as
42 determined by the court. In addition to any other damages the cost of
43 removal of property shall be a lawful measure of damages.

44 § 13. Subdivision a of section 5 of section 4 of chapter 576 of the
45 laws of 1974, constituting the emergency tenant protection act of nine-
46 teen seventy-four, is amended by adding a new paragraph 3-a to read as
47 follows:

48 (3-a) housing accommodations which become vacant on or after June
49 sixteenth, two thousand seventeen, provided, however, that this excep-
50 tion shall not apply to or become effective with respect to housing
51 accommodations which the commissioner determines or finds became vacant
52 because the landlord or any person acting on his or her behalf, with
53 intent to cause the tenant to vacate, engaged in any course of conduct
54 (including, but not limited to, interruption or discontinuance of
55 required services) which interfered with or disturbed or was intended to
56 interfere in his or her use or occupancy of the housing accommodations.

1 § 14. Section 26-504 of the administrative code of the city of New
2 York is amended by adding a new subdivision d to read as follows:

3 d. Notwithstanding any of the provisions of this section or title or
4 any other provisions of law, this law shall not apply to any housing
5 accommodation which becomes vacant on or after June sixteenth, two thou-
6 sand seventeen provided, however, that this exception shall not apply to
7 or become effective with respect to housing accommodations which the
8 commissioner determines or finds became vacant because the landlord or
9 any person acting on his or her behalf, with intent to cause the tenant
10 to vacate, engaged in any course of conduct (including but not limited
11 to, interruption or discontinuance of required services) which interfer-
12 ed with or disturbed or was intended to interfere with or disturb the
13 comfort, repose, peace or quiet of the tenant in his or her use or occu-
14 pancy of the housing accommodations.

15 § 15. This act shall take effect immediately; provided that the amend-
16 ments to section 26-403.1 of the city rent and rehabilitation law made
17 by section three of this act shall remain in full force and effect only
18 as long as the public emergency requiring the regulation and control of
19 residential rents and evictions continues, as provided in subdivision 3
20 of section 1 of the local emergency housing rent control act; and
21 provided that the amendments to sections 26-504.1, 26-504.3, and 26-504
22 of chapter 4 of title 26 of the administrative code of the city of New
23 York made by sections five, seven and fourteen of this act respectively,
24 shall expire on the same date as such law expires and shall not affect
25 the expiration of such law as provided under section 26-520 of such law;
26 and provided that the amendments to sections 5-a and 5 of the emergency
27 tenant protection act of nineteen seventy-four made by sections nine and
28 thirteen of this act, respectively, shall expire on the same date as
29 such act expires and shall not affect the expiration of such act as
30 provided in section 17 of chapter 576 of the laws of 1974; and provided
31 that the amendments to sections 2-a and 2 of the emergency housing rent
32 control law made by sections two and ten of this act, respectively,
33 shall expire on the same date as such law expires and shall not affect
34 the expiration of such law as provided in subdivision 2 of section 1 of
35 chapter 274 of the laws of 1946; and provided that the amendments to the
36 local emergency housing rent control act made by section eleven of this
37 act shall remain in full force and effect only so long as the public
38 emergency requiring the regulation and control of residential rents and
39 evictions continues, as provided in subdivision 3 of section 1 of the
40 local emergency housing rent control act; and provided further that the
41 amendments to paragraph (h) of subdivision 10 of section 1 of the local
42 emergency housing rent control act made by section twelve of this act
43 shall not affect the expiration of certain provisions of such paragraph
44 (h) made by section 3 of chapter 576 of the laws of 1974 and shall
45 expire when such chapter 576 of the laws of 1974 expires.