

STATE OF NEW YORK

S. 6458

A. 8281

2019-2020 Regular Sessions

SENATE - ASSEMBLY

June 11, 2019

IN SENATE -- Introduced by Sens. STEWART-COUSINS, KAVANAGH, MYRIE, GIANARIS, SALAZAR, SERRANO, KRUEGER, BAILEY, RAMOS, PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

IN ASSEMBLY -- Introduced by M. of A. HEASTIE, CYMBROWITZ, HUNTER, DINOWITZ, O'DONNELL, L. ROSENTHAL, THIELE, BRONSON, RYAN, BARRETT, MOSLEY, PICHARDO, BARRON, JOYNER, RICHARDSON, NIOU, EPSTEIN, ROMEO, GOTTFRIED, LENTOL, WEINSTEIN, NOLAN, COOK, GLICK, AUBRY, PERRY, ARROYO, COLTON, PEOPLES-STOKES, TITUS, BENEDETTO, HEVESI, JAFFEE, DenDEKKER, CRESPO, M. L. MILLER, WEPRIN, QUART, SOLAGES, STECK, BICHOTTE, BLAKE, DILAN, SEAWRIGHT, SIMON, WALKER, CARROLL, DE LA ROSA, D. ROSENTHAL, TAYLOR, CRUZ, FERNANDEZ, FRONTUS, JACOBSON, RAYNOR, REYES, SAYEGH -- read once and referred to the Committee on Housing

AN ACT to amend chapter 576 of the laws of 1974 amending the emergency housing rent control law relating to the control of and stabilization of rent in certain cases, the emergency housing rent control law, chapter 329 of the laws of 1963 amending the emergency housing rent control law relating to recontrol of rents in Albany, and the rent regulation reform act of 1997, in relation to making such provisions permanent; to amend 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, in relation to making such provisions permanent (Part A); to repeal certain provisions of the administrative code of the city of New York, the emergency tenant protection act of nineteen seventy-four, the emergency housing rent control law and the local emergency rent control act, relating to rent increases after vacancy of a housing accommodation (Part B); to amend the administrative code of the city of New York and the emergency tenant protection act of nineteen

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

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seventy-four, in relation to vacancy of certain housing accommodations and to amend the emergency tenant protection act of nineteen seventy-four and the administrative code of the city of New York, in relation to prohibiting a county rent guidelines board from establishing rent adjustments for class A dwelling units based on certain considerations (Part C); to amend the emergency tenant protection act of nineteen seventy-four, in relation to vacancies in certain housing accommodations; and to repeal paragraphs 12 and 13 of subdivision a of section 5 and section 5-a of section 4 of chapter 576 of the laws of 1974 constituting the emergency tenant protection act of nineteen seventy-four, paragraph (n) of subdivision 2 of section 2 of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, and sections 26-504.1, 26-504.2 and 26-504.3 and subparagraph (k) of paragraph 2 of subdivision e of section 26-403 of the administrative code of the city of New York, relating to vacancy decontrol (Part D); to amend the emergency tenant protection act of nineteen seventy-four and the administrative code of the city of New York, in relation to the regulation of rents (Part E); to amend the emergency tenant protection act of nineteen seventy-four, the administrative code of the city of New York and the civil practice law and rules, in relation to investigation of rent overcharge complaints (Part F); to establish the "statewide tenant protection act of 2019"; and to amend the emergency tenant protection act of nineteen seventy-four, in relation to expanding rent and eviction protections statewide (Part G); to amend the administrative code of the city of New York and the emergency housing rent control law, in relation to the establishment of rent adjustments and prohibition of fuel pass-along charges; and to repeal certain provisions of the administrative code of the city of New York relating thereto (Part H); to amend the administrative code of the city of New York, the emergency tenant protection act of nineteen seventy-four and the emergency housing rent control law, in relation to recovery of certain housing accommodations by a landlord (Part I); to amend the emergency tenant protection act of nineteen seventy-four, in relation to not-for-profits' use of certain residential dwellings (Part J); to amend the emergency tenant protection act of nineteen seventy-four, the emergency housing rent control law, and the administrative code of the city of New York, in relation to a temporary increase in rent in certain cases (Part K); to amend the public housing law, in relation to enacting the "rent regulation reporting act of 2019" (Part L); to amend the real property law, the real property actions and proceedings law, the general obligations law and the judiciary law, in relation to enacting the "statewide housing security and tenant protection act of 2019"; establishes the New York state temporary commission on housing security and tenant protection; and to repeal certain provisions of the real property actions and proceedings law relating thereto (Part M); to amend the general business law, in relation to conversions to cooperative or condominium ownership in the city of New York (Part N); and to amend the real property law, in relation to the duties and responsibilities of manufactured home park owners and residents (Part O)

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

1 Section 1. This act enacts into law major components of legislation
2 relating to rent regulation and tenant protection. Each component is
3 wholly contained within a Part identified as Parts A through O. The
4 effective date for each particular provision contained within such Part
5 is set forth in the last section of such Part. Any provision in any
6 section contained within a Part, including the effective date of the
7 Part, which makes a reference to a section "of this act", when used in
8 connection with that particular component, shall be deemed to mean and
9 refer to the corresponding section of the Part in which it is found.
10 Section three of this act sets forth the general effective date of this
11 act.

12 PART A

13 Section 1. Short title. This act shall be known and may be cited as
14 the "Housing Stability and Tenant Protection Act of 2019".

15 § 1-a. Section 17 of chapter 576 of the laws of 1974 amending the
16 emergency housing rent control law relating to the control of and
17 stabilization of rent in certain cases, as amended by section 1-a of
18 part A of chapter 20 of the laws of 2015, is amended to read as follows:

19 § 17. Effective date. This act shall take effect immediately and
20 shall remain in full force and effect [~~until and including the fifteenth~~
21 ~~day of June 2019~~] thereafter; except that sections two and three shall
22 take effect with respect to any city having a population of one million
23 or more and section one shall take effect with respect to any other
24 city, or any town or village whenever the local legislative body of a
25 city, town or village determines the existence of a public emergency
26 pursuant to section three of the emergency tenant protection act of
27 nineteen seventy-four, as enacted by section four of this act, and
28 provided that the housing accommodations subject on the effective date
29 of this act to stabilization pursuant to the New York city rent stabili-
30 zation law of nineteen hundred sixty-nine shall remain subject to such
31 law [~~upon the expiration of this act~~] thereafter.

32 § 2. Subdivision 2 of section 1 of chapter 274 of the laws of 1946
33 constituting the emergency housing rent control law, as amended by
34 section 2 of part A of chapter 20 of the laws of 2015, is amended to
35 read as follows:

36 2. The provisions of this act, and all regulations, orders and
37 requirements thereunder shall remain in full force and effect [~~until and~~
38 ~~including June 15, 2019~~] thereafter.

39 § 3. Section 2 of chapter 329 of the laws of 1963 amending the emer-
40 gency housing rent control law relating to recontrol of rents in Albany,
41 as amended by section 3 of part A of chapter 20 of the laws of 2015, is
42 amended to read as follows:

43 § 2. This act shall take effect immediately and the provisions of
44 subdivision 6 of section 12 of the emergency housing rent control law,
45 as added by this act, shall remain in full force and effect [~~until and~~
46 ~~including June 15, 2019~~] thereafter.

47 § 4. Section 10 of chapter 555 of the laws of 1982 amending the gener-
48 al business law and the administrative code of the city of New York
49 relating to conversion of residential property to cooperative or condo-
50 minium ownership in the city of New York, as amended by section 4 of
51 part A of chapter 20 of the laws of 2015, is amended to read as follows:

52 § 10. This act shall take effect immediately; provided, that the
53 provisions of sections one, two and nine of this act shall remain in
54 full force and effect [~~only until and including June 15, 2019~~] thereaft-

er; 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.

§ 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 A of chapter 20 of the laws of 2015, is amended to read as follows:

§ 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, 2019]~~ thereafter; 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.

§ 6. Subdivision 6 of section 46 of chapter 116 of the laws of 1997 constituting the rent regulation reform act of 1997 is REPEALED.

§ 7. This act shall take effect immediately.

PART B

Section 1. Paragraph 5-a of subdivision c of section 26-511 of the administrative code of the city of New York is REPEALED.

§ 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 is REPEALED.

§ 3. Subdivision f of section 26-512 of the administrative code of the city of New York is REPEALED.

§ 4. Subdivision g of section 6 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four is REPEALED.

§ 5. Subdivision 9 of section 5 of chapter 274 of the laws of 1946, constituting the emergency housing rent control law is REPEALED.

§ 6. Section 26-403.2 of the administrative code of the city of New York is REPEALED.

§ 7. The sixth undesignated paragraph of subdivision 5 of section 1 of chapter 21 of the laws of 1962, constituting the local emergency rent control act, as amended by chapter 82 of the laws of 2003, is REPEALED.

§ 8. This act shall take effect immediately.

PART C

Section 1. Section 26-510 of the administrative code of the city of New York is amended by adding a new subdivision j to read as follows:

j. Notwithstanding any other provision of this law, the adjustment for vacancy leases covered by the provisions of this law shall be determined exclusively pursuant to this section. County rent guidelines boards shall no longer promulgate adjustments for vacancy leases unless otherwise authorized by this chapter.

§ 2. Section 4 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is amended by adding a new subdivision e to read as follows:

e. Notwithstanding any other provision of this act, the adjustment for vacancy leases covered by the provisions of this act shall be determined exclusively pursuant to section ten of this act. County rent guidelines boards shall no longer promulgate adjustments for vacancy leases.

§ 3. The opening paragraph of subdivision b of section 4 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, as amended by chapter 403 of the laws of 1983, is amended to read as follows:

A county rent guidelines board shall establish [~~annually~~] annual guidelines for rent adjustments which, at its sole discretion may be varied and different for and within the several zones and jurisdictions of the board, and in determining whether rents for housing accommodations as to which an emergency has been declared pursuant to this act shall be adjusted, shall consider among other things (1) the economic condition of the residential real estate industry in the affected area including such factors as the prevailing and projected (i) real estate taxes and sewer and water rates, (ii) gross operating maintenance costs (including insurance rates, governmental fees, cost of fuel and labor costs), (iii) costs and availability of financing (including effective rates of interest), (iv) over-all supply of housing accommodations and over-all vacancy rates, (2) relevant data from the current and projected cost of living indices for the affected area, (3) such other data as may be made available to it. As soon as practicable after its creation and thereafter not later than July first of each year, a rent guidelines board shall file with the state division of housing and community renewal its findings for the preceding calendar year, and shall accompany such findings with a statement of the maximum rate or rates of rent adjustment, if any, for one or more classes of accommodation subject to this act, authorized for leases or other rental agreements commencing during the next succeeding twelve months. The standards for rent adjustments may be applicable for the entire county or may be varied according to such zones or jurisdictions within such county as the board finds necessary to achieve the purposes of this subdivision. A county rent guidelines board shall not establish annual guidelines for rent adjustments based on the current rental cost of a unit or on the amount of time that has elapsed since another rent increase was authorized pursuant to this chapter.

§ 4. Subdivision b of section 26-510 of the administrative code of the city of New York is amended to read as follows:

b. The rent guidelines board shall establish [~~annually~~] annual guidelines for rent adjustments, and in determining whether rents for housing accommodations subject to the emergency tenant protection act of nineteen seventy-four or this law shall be adjusted shall consider, among other things (1) the economic condition of the residential real estate

1 industry in the affected area including such factors as the prevailing
2 and projected (i) real estate taxes and sewer and water rates, (ii)
3 gross operating maintenance costs (including insurance rates, govern-
4 mental fees, cost of fuel and labor costs), (iii) costs and availability
5 of financing (including effective rates of interest), (iv) over-all
6 supply of housing accommodations and over-all vacancy rates, (2) rele-
7 vant data from the current and projected cost of living indices for the
8 affected area, (3) such other data as may be made available to it. Not
9 later than July first of each year, the rent guidelines board shall file
10 with the city clerk its findings for the preceding calendar year, and
11 shall accompany such findings with a statement of the maximum rate or
12 rates of rent adjustment, if any, for one or more classes of accommo-
13 dations subject to this law, authorized for leases or other rental
14 agreements commencing on the next succeeding October first or within the
15 twelve months thereafter. Such findings and statement shall be published
16 in the City Record. The rent guidelines board shall not establish annu-
17 al guidelines for rent adjustments based on the current rental cost of a
18 unit or on the amount of time that has elapsed since another rent
19 increase was authorized pursuant to this title.

20 § 5. This act shall take effect immediately.

21 PART D

22 Section 1. Legislative findings and declaration of emergency. The
23 legislature hereby finds and declares that the serious public emergency
24 which led to the enactment of the existing laws regulating residential
25 rents and evictions continues to exist; that such laws would better
26 serve the public interest if certain changes were made thereto, includ-
27 ing the continued regulation of certain housing accommodations that
28 become vacant.

29 The legislature further recognizes that severe disruption of the
30 rental housing market has occurred and threatens to be exacerbated as a
31 result of the present state of the law in relation to the deregulation
32 of housing accommodations upon vacancy. The situation has permitted
33 speculative and profiteering practices and has brought about the loss of
34 vital and irreplaceable affordable housing for working persons and fami-
35 lies.

36 The legislature therefore declares that in order to prevent uncertain-
37 ty, potential hardship and dislocation of tenants living in housing
38 accommodations subject to government regulations as to rentals and
39 continued occupancy as well as those not subject to such regulation, the
40 provisions of this act are necessary to protect the public health, safe-
41 ty and general welfare. The necessity in the public interest for the
42 provisions hereinafter enacted is hereby declared as a matter of legis-
43 lative determination.

44 § 2. Paragraph (n) of subdivision 2 of section 2 of chapter 274 of the
45 laws of 1946, constituting the emergency housing rent control law, is
46 REPEALED.

47 § 3. Paragraph 13 of subdivision a of section 5 of section 4 of chap-
48 ter 576 of the laws of 1974, constituting the emergency tenant
49 protection act of nineteen seventy-four, is REPEALED.

50 § 4. Subparagraph (k) of paragraph 2 of subdivision e of section
51 26-403 of the administrative code of the city of New York is REPEALED.

52 § 5. Sections 26-504.1, 26-504.2 and 26-504.3 of the administrative
53 code of the city of New York are REPEALED.

§ 6. Paragraph 12 of subdivision a of section 5 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is REPEALED.

§ 7. Section 5-a of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is REPEALED.

§ 8. This act shall take effect immediately.

PART E

Section 1. Subdivision (a-2) 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 11 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

(a-2) [~~Provides that where~~ Where the amount of rent charged to and paid by the tenant is less than the legal regulated rent for the housing accommodation, the amount of rent for such housing accommodation which may be charged [~~upon renewal or~~ upon vacancy thereof, may, at the option of the owner, be based upon such previously established legal regulated rent, as adjusted by the most recent applicable guidelines increases and other increases authorized by law. [~~Such housing accommodation shall be excluded from the provisions of this act pursuant to paragraph thirteen of subdivision a of section five of this act when subsequent to vacancy: (i) such legal regulated rent is two thousand five hundred dollars per month, or more, for any housing accommodation that is, or becomes, vacant after the effective date of the rent act of 2011 but prior to the effective date of the rent act of 2015 or (ii) such legal regulated rent is two thousand seven hundred dollars per month or more for any housing accommodation that is or becomes vacant on or after the rent act of 2015, starting on January 1, 2016, and annually thereafter, the maximum legal regulated rent for this deregulation threshold, shall also be increased by the same percent as the most recent one year renewal adjustment, adopted by the applicable rent guidelines board pursuant to the rent stabilization law.~~] Any tenant who is subject to a lease on or after the effective date of a chapter of the laws of two thousand nineteen which amended this subdivision, or is or was entitled to receive a renewal or vacancy lease on or after such date, upon renewal of such lease, the amount of rent for such housing accommodation that may be charged and paid shall be no more than the rent charged to and paid by the tenant prior to that renewal, as adjusted by the most recent applicable guidelines increases and any other increases authorized by law. Provided, however, that for buildings that are subject to this statute by virtue of a regulatory agreement with a local government agency and which buildings receive federal project based rental assistance administered by the United States department of housing and urban development or a state or local section eight administering agency, where the rent set by the federal, state or local governmental agency is less than the legal regulated rent for the housing accommodation, the amount of rent for such housing accommodation which may be charged upon renewal or upon vacancy thereof, may be based upon such previously established legal regulated rent, as adjusted by the most recent applicable guidelines increases or other increases authorized by law; and further provided that such vacancy shall not be caused by the failure of the owner or an agent of the owner, to maintain the housing accommodation in compliance with the warranty of habitability set forth in subdivision one of section two hundred thirty-five-b of the real property law.

§ 2. Paragraph 14 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 12 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

(14) ~~provides that~~ where the amount of rent charged to and paid by the tenant is less than the legal regulated rent for the housing accommodation, the amount of rent for such housing accommodation which may be charged ~~upon renewal or~~ upon vacancy thereof, may, at the option of the owner, be based upon such previously established legal regulated rent, as adjusted by the most recent applicable guidelines increases and any other increases authorized by law. ~~[Such housing accommodation shall be excluded from the provisions of this code pursuant to section 26-504.2 of this chapter when, subsequent to vacancy: (i) such legal regulated rent prior to vacancy is two thousand five hundred dollars per month, or more, for any housing accommodation that is or becomes vacant after the effective date of the rent act of 2011 but prior to the effective date of the rent act of 2015 or (ii) such legal regulated rent is two thousand seven hundred dollars per month or more, provided, however that on January 1, 2016, and annually thereafter, the maximum legal regulated rent for this deregulation threshold shall be adjusted by the same percentage as the most recent one year renewal adjustment as adjusted by the relevant rent guidelines board, for any housing accommodation that is or becomes vacant on or after the rent act of 2015.]~~ Any tenant who is subject to a lease on or after the effective date of a chapter of the laws of two thousand nineteen which amended this paragraph, or is or was entitled to receive a renewal or vacancy lease on or after such date, upon renewal of such lease, the amount of rent for such housing accommodation that may be charged and paid shall be no more than the rent charged to and paid by the tenant prior to that renewal, as adjusted by the most recent applicable guidelines increases and any other increases authorized by law. Provided, however, that for buildings that are subject to this statute by virtue of a regulatory agreement with a local government agency and which buildings receive federal project based rental assistance administered by the United States department of housing and urban development or a state or local section eight administering agency, where the rent set by the federal, state or local governmental agency is less than the legal regulated rent for the housing accommodation, the amount of rent for such housing accommodation which may be charged upon renewal or upon vacancy thereof, may be based upon such previously established legal regulated rent, as adjusted by the most recent applicable guidelines increases and other increases authorized by law; and further provided that such vacancy shall not be caused by the failure of the owner or an agent of the owner, to maintain the housing accommodation in compliance with the warranty of habitability set forth in subdivision one of section two hundred thirty-five-b of the real property law.

§ 3. This act shall take effect immediately; provided, further, that the amendments to section 26-511 of chapter 4 of title 26 of the administrative code of the city of New York made by section 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.

PART F

Section 1. Paragraph 1 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 chapter 403 of

1 the laws of 1983, the opening paragraph and clause (i) of subparagraph
2 (b) as amended by chapter 116 of the laws of 1997, is amended to read as
3 follows:

4 (1) Subject to the conditions and limitations of this paragraph, any
5 owner of housing accommodations in a city having a population of less
6 than one million or a town or village as to which an emergency has been
7 declared pursuant to section three, who, upon complaint of a tenant or
8 of the state division of housing and community renewal, is found by the
9 state division of housing and community renewal, after a reasonable
10 opportunity to be heard, to have collected an overcharge above the rent
11 authorized for a housing accommodation subject to this act shall be
12 liable to the tenant for a penalty equal to three times the amount of
13 such overcharge. ~~[In no event shall such treble damage penalty be~~
14 ~~assessed against an owner based solely on said owner's failure to file a~~
15 ~~proper or timely initial or annual rent registration statement.]~~ If the
16 owner establishes by a preponderance of the evidence that the overcharge
17 was neither willful nor attributable to his negligence, the state divi-
18 sion of housing and community renewal shall establish the penalty as the
19 amount of the overcharge plus interest at the rate of interest payable
20 on a judgment pursuant to section five thousand four of the civil prac-
21 tice law and rules. After a complaint of rent overcharge has been filed
22 and served on an owner, the voluntary adjustment of the rent and/or the
23 voluntary tender of a refund of rent overcharges shall not be considered
24 by the division of housing and community renewal or a court of competent
25 jurisdiction as evidence that the overcharge was not willful. (i) Except
26 as to complaints filed pursuant to clause (ii) of this paragraph, the
27 legal regulated rent for purposes of determining an overcharge, shall be
28 deemed to be the rent indicated in the most recent reliable annual
29 registration statement for a rent stabilized tenant filed ~~[four]~~ and
30 served upon the tenant six or more years prior to the most recent regis-
31 tration statement, (or, if more recently filed, the initial registration
32 statement) plus in each case any subsequent lawful increases and adjust-
33 ments. ~~[Where the amount of rent set forth in the annual rent registra-~~
34 ~~tion statement filed four years prior to the most recent registration~~
35 ~~statement is not challenged within four years of its filing, neither~~
36 ~~such rent nor service of any registration shall be subject to challenge~~
37 ~~at any time thereafter.]~~ The division of housing and community renewal
38 or a court of competent jurisdiction, in investigating complaints of
39 overcharge and in determining legal regulated rent, shall consider all
40 available rent history which is reasonably necessary to make such deter-
41 minations. (ii) As to complaints filed within ninety days of the initial
42 registration of a housing accommodation, the legal regulated rent for
43 purposes of determining an overcharge shall be deemed to be the rent
44 charged on the date ~~[four]~~ six years prior to the date of the initial
45 registration of the housing accommodation (or, if the housing accommo-
46 dation was subject to this act for less than ~~[four]~~ six years, the
47 initial legal regulated rent) plus in each case, any lawful increases
48 and adjustments. Where the rent charged on the date ~~[four]~~ six years
49 prior to the date of the initial registration of the accommodation
50 cannot be established, such rent shall be established by the division.
51 ~~[Where the amount of rent set forth in the annual rent registration~~
52 ~~statement filed four years prior to the most recent registration state-~~
53 ~~ment is not challenged within four years of its filing, neither such~~
54 ~~rent nor service of any registration shall be subject to challenge at~~
55 ~~any time thereafter.]~~

1 (a) The order of the state division of housing and community renewal
2 shall apportion the owner's liability between or among two or more
3 tenants found to have been overcharged by such owner during their
4 particular tenancy of a unit.

5 (b) (i) Except as provided under clauses (ii) and (iii) of this
6 subparagraph, a complaint under this subdivision ~~[shall]~~ may be filed
7 with the state division of housing and community renewal ~~[within four~~
8 ~~years of the first overcharge alleged and no determination of an over-~~
9 ~~charge and no award or calculation of an award of the amount of an over-~~
10 ~~charge may be based upon an overcharge having occurred more than four~~
11 ~~years before the complaint is filed. This paragraph shall preclude exam-~~
12 ~~ination of the rental history of the housing accommodation prior to the~~
13 ~~four-year period preceding the filing of a complaint pursuant to this~~
14 ~~subdivision]~~ or in a court of competent jurisdiction at any time, howev-
15 er any recovery of overcharge penalties shall be limited to the six
16 years preceding the complaint.

17 (ii) ~~[No]~~ A penalty of three times the overcharge ~~[may be based upon~~
18 ~~an overcharge having occurred more than two years before the complaint~~
19 ~~is filed or upon an overcharge which occurred prior to April first,~~
20 ~~nineteen hundred eighty-four]~~ shall be assessed upon all overcharges
21 willfully collected by the owner starting six years before the complaint
22 is filed.

23 (iii) Any complaint based upon overcharges occurring prior to the date
24 of filing of the initial rent registration as provided in subdivision b
25 of section twelve-a of this act shall be filed within ninety days of the
26 mailing of notice to the tenant of such registration.

27 (c) Any affected tenant shall be notified of and given an opportunity
28 to join in any complaint filed by an officer or employee of the state
29 division of housing and community renewal.

30 (d) An owner found to have overcharged shall, in all cases, be
31 assessed the reasonable costs and attorney's fees of the proceeding, and
32 interest from the date of the overcharge at the rate of interest payable
33 on a judgment pursuant to section five thousand four of the civil prac-
34 tice law and rules.

35 (e) The order of the state division of housing and community renewal
36 awarding penalties may, upon the expiration of the period in which the
37 owner may institute a proceeding pursuant to article seventy-eight of
38 the civil practice law and rules, be filed and enforced by a tenant in
39 the same manner as a judgment or, in the alternative, not in excess of
40 twenty percent thereof per month may be offset against any rent there-
41 after due the owner.

42 (f) Unless a tenant shall have filed a complaint of overcharge with
43 the division which complaint has not been withdrawn, nothing contained
44 in this section shall be deemed to prevent a tenant or tenants, claiming
45 to have been overcharged, from commencing an action or interposing a
46 counterclaim in a court of competent jurisdiction for damages equal to
47 the overcharge and the penalty provided for in this section, including
48 interest from the date of the overcharge at the rate of interest payable
49 on a judgment pursuant to section five thousand four of the civil prac-
50 tice law and rules, plus the statutory costs and allowable disbursements
51 in connection with the proceeding. ~~[Such action must be commenced or~~
52 ~~counterclaim interposed within four years of the date of the alleged~~
53 ~~overcharge but no recovery of three times the amount of the overcharge~~
54 ~~may be awarded with respect to any overcharge which had occurred more~~
55 ~~than two years before the action is commenced or counterclaim is inter-~~

~~posed-~~ The courts and the division shall have concurrent jurisdiction, subject to the tenant's choice of forum.

§ 2. Paragraph 8 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 chapter 403 of the laws of 1983, is amended and a new paragraph 9 is added to read as follows:

(8) ~~[Any]~~ Except where a specific provision of this law requires the maintenance of rent records for a longer period, including records of the useful life of improvements made to any housing accommodation or any building, any owner who has duly registered a housing accommodation pursuant to section twelve-a of this act shall not be required to maintain or produce any records relating to rentals of such accommodation more than ~~[four]~~ six years prior to the most recent registration or annual statement for such accommodation. However, an owner's election not to maintain records shall not limit the authority of the division of housing and community renewal and the courts to examine the rental history and determine legal regulated rents pursuant to this subdivision.

(9) The division of housing and community renewal and the courts, in investigating complaints of overcharge and in determining legal regulated rents, shall consider all available rent history which is reasonably necessary to make such determinations, including but not limited to (a) any rent registration or other records filed with the state division of housing and community renewal, or any other state, municipal or federal agency, regardless of the date to which the information on such registration refers; (b) any order issued by any state, municipal or federal agency; (c) any records maintained by the owner or tenants; and (d) any public record kept in the regular course of business by any state, municipal or federal agency. Nothing contained in this paragraph shall limit the examination of rent history relevant to a determination as to:

(i) whether the legality of a rental amount charged or registered is reliable in light of all available evidence including, but not limited to, whether an unexplained increase in the registered or lease rents, or a fraudulent scheme to destabilize the housing accommodation, rendered such rent or registration unreliable;

(ii) whether an accommodation is subject to the emergency tenant protection act;

(iii) whether an order issued by the division of housing and community renewal or a court of competent jurisdiction, including, but not limited to an order issued pursuant to section 26-514 of the administrative code of the city of New York, or any regulatory agreement or other contract with any governmental agency, and remaining in effect within six years of the filing of a complaint pursuant to this section, affects or limits the amount of rent that may be charged or collected;

(iv) whether an overcharge was or was not willful;

(v) whether a rent adjustment that requires information regarding the length of occupancy by a present or prior tenant was lawful;

(vi) the existence or terms and conditions of a preferential rent, or the propriety of a legal registered rent during a period when the tenants were charged a preferential rent;

(vii) the legality of a rent charged or registered immediately prior to the registration of a preferential rent; or

1 (viii) the amount of the legal regulated rent where the apartment was
2 vacant or temporarily exempt on the date six years prior to a tenant's
3 complaint.

4 § 3. Subdivision b of section 12 of section 4 of chapter 576 of the
5 laws of 1974, constituting the emergency tenant protection act of nine-
6 teen seventy-four, as amended by chapter 403 of the laws of 1983, is
7 amended to read as follows:

8 b. Within a city having a population of one million or more, the state
9 division of housing and community renewal shall have such powers to
10 enforce this act as shall be provided in the New York city rent stabili-
11 zation law of nineteen hundred sixty-nine, as amended, or as shall
12 otherwise be provided by law. Unless a tenant shall have filed a
13 complaint of overcharge with the division which complaint has not been
14 withdrawn, nothing contained in this section shall be deemed to prevent
15 a tenant or tenants, claiming to have been overcharged, from commencing
16 an action or interposing a counterclaim in a court of competent juris-
17 isdiction for damages equal to the overcharge and the penalty provided for
18 in this section, including interest from the date of the overcharge at
19 the rate of interest payable on a judgment pursuant to section five
20 thousand four of the civil practice law and rules, plus the statutory
21 costs and allowable disbursements in connection with the proceeding. The
22 courts and the division shall have concurrent jurisdiction, subject to
23 the tenant's choice of forum.

24 § 4. Subdivision a of section 26-516 of the administrative code of the
25 city of New York, as amended by chapter 116 of the laws of 1997, is
26 amended to read as follows:

27 a. Subject to the conditions and limitations of this subdivision, any
28 owner of housing accommodations who, upon complaint of a tenant, or of
29 the state division of housing and community renewal, is found by the
30 state division of housing and community renewal, after a reasonable
31 opportunity to be heard, to have collected an overcharge above the rent
32 authorized for a housing accommodation subject to this chapter shall be
33 liable to the tenant for a penalty equal to three times the amount of
34 such overcharge. ~~[In no event shall such treble damage penalty be~~
35 ~~assessed against an owner based solely on said owner's failure to file a~~
36 ~~timely or proper initial or annual rent registration statement.]~~ If the
37 owner establishes by a preponderance of the evidence that the overcharge
38 was not willful, the state division of housing and community renewal
39 shall establish the penalty as the amount of the overcharge plus inter-
40 est. After a complaint of rent overcharge has been filed and served on
41 an owner, the voluntary adjustment of the rent and/or the voluntary
42 tender of a refund of rent overcharges shall not be considered by the
43 division of housing and community renewal or a court of competent juris-
44 isdiction as evidence that the overcharge was not willful. (i) Except as
45 to complaints filed pursuant to clause (ii) of this paragraph, the legal
46 regulated rent for purposes of determining an overcharge, shall be the
47 rent indicated in the most recent reliable annual registration statement
48 filed ~~[four]~~ and served upon the tenant six or more years prior to the
49 most recent registration statement, (or, if more recently filed, the
50 initial registration statement) plus in each case any subsequent lawful
51 increases and adjustments. ~~[Where the amount of rent set forth in the~~
52 ~~annual rent registration statement filed four years prior to the most~~
53 ~~recent registration statement is not challenged within four years of its~~
54 ~~filing, neither such rent nor service of any registration shall be~~
55 ~~subject to challenge at any time thereafter.]~~ The division of housing
56 and community renewal or a court of competent jurisdiction, in investi-

1 gating complaints of overcharge and in determining legal regulated rent,
2 shall consider all available rent history which is reasonably necessary
3 to make such determinations. (ii) As to complaints filed within ninety
4 days of the initial registration of a housing accommodation, the legal
5 regulated rent shall be deemed to be the rent charged on the date [~~four~~
6 six years prior to the date of the initial registration of the housing
7 accommodation (or, if the housing accommodation was subject to this
8 chapter for less than [~~four~~ six years, the initial legal regulated
9 rent) plus in each case, any lawful increases and adjustments. Where the
10 rent charged on the date [~~four~~ six years prior to the date of the
11 initial registration of the accommodation cannot be established, such
12 rent shall be established by the division.

13 Where the prior rent charged [~~on the date four years prior to the date~~
14 ~~of initial registration of~~] for the housing accommodation cannot be
15 established, such rent shall be established by the division provided
16 that where a rent is established based on rentals determined under the
17 provisions of the local emergency housing rent control act such rent
18 must be adjusted to account for no less than the minimum increases which
19 would be permitted if the housing accommodation were covered under the
20 provisions of this chapter, less any appropriate penalties. [~~Where the~~
21 ~~amount of rent set forth in the annual rent registration statement filed~~
22 ~~four years prior to the most recent registration statement is not chal-~~
23 ~~lenged within four years of its filing, neither such rent nor service of~~
24 ~~any registration shall be subject to challenge at any time thereafter.~~]

25 (1) The order of the state division of housing and community renewal
26 or court of competent jurisdiction shall apportion the owner's liability
27 between or among two or more tenants found to have been overcharged by
28 such owner during their particular tenancy of a unit.

29 (2) [~~Except as provided under clauses (i) and (ii) of this paragraph,~~
30 ~~a]~~ A complaint under this subdivision [~~shall~~] may be filed with the
31 state division of housing and community renewal [~~within four years of~~
32 ~~the first overcharge alleged and no determination of an overcharge and~~
33 ~~no award or calculation of an award of the amount of an overcharge may~~
34 ~~be based upon an overcharge having occurred more than four years before~~
35 ~~the complaint is filed]~~ or in a court of competent jurisdiction at any
36 time, however any recovery of overcharge penalties shall be limited to
37 the six years preceding the complaint. [~~(i) No~~] A penalty of three
38 times the overcharge [~~may be based upon an overcharge having occurred~~
39 ~~more than two years]~~ shall be assessed upon all overcharges willfully
40 collected by the owner starting six years before the complaint is filed
41 [~~or upon an overcharge which occurred prior to April first, nineteen~~
42 ~~hundred eighty four. (ii) Any complaint based upon overcharges occurring~~
43 ~~prior to the date of filing of the initial rent registration as provided~~
44 ~~in section 26-517 of this chapter shall be filed within ninety days of~~
45 ~~the mailing of notice to the tenant of such registration. This paragraph~~
46 ~~shall preclude examination of the rental history of the housing accommo-~~
47 ~~dation prior to the four year period preceding the filing of a complaint~~
48 ~~pursuant to this subdivision].~~

49 (3) Any affected tenant shall be notified of and given an opportunity
50 to join in any complaint filed by an officer or employee of the state
51 division of housing and community renewal.

52 (4) An owner found to have overcharged [~~may~~] shall be assessed the
53 reasonable costs and attorney's fees of the proceeding and interest from
54 the date of the overcharge at the rate of interest payable on a judgment
55 pursuant to section five thousand four of the civil practice law and
56 rules.

(5) The order of the state division of housing and community renewal awarding penalties may, upon the expiration of the period in which the owner may institute a proceeding pursuant to article seventy-eight of the civil practice law and rules, be filed and enforced by a tenant in the same manner as a judgment or not in excess of twenty percent thereof per month may be offset against any rent thereafter due the owner.

§ 5. Subdivision g of section 26-516 of the administrative code of the city of New York is amended, subdivision h is relettered subdivision i and a new subdivision h is added to read as follows:

g. ~~[Any]~~ Except where a specific provision of this law requires the maintenance of rent records for a longer period, including records of the useful life of improvements made to any housing accommodation or any building, any owner who has duly registered a housing accommodation pursuant to section 26-517 of this chapter shall not be required to maintain or produce any records relating to rentals of such accommodation for more than ~~[four]~~ six years prior to the most recent registration or annual statement for such accommodation. However, an owner's election not to maintain records shall not limit the authority of the division of housing and community renewal and the courts to examine the rental history and determine legal regulated rents pursuant to this section.

h. The division of housing and community renewal, and the courts, in investigating complaints of overcharge and in determining legal regulated rents, shall consider all available rent history which is reasonably necessary to make such determinations, including but not limited to (i) any rent registration or other records filed with the state division of housing and community renewal, or any other state, municipal or federal agency, regardless of the date to which the information on such registration refers; (ii) any order issued by any state, municipal or federal agency; (iii) any records maintained by the owner or tenants; and (iv) any public record kept in the regular course of business by any state, municipal or federal agency. Nothing contained in this subdivision shall limit the examination of rent history relevant to a determination as to:

(i) whether the legality of a rental amount charged or registered is reliable in light of all available evidence including but not limited to whether an unexplained increase in the registered or lease rents, or a fraudulent scheme to destabilize the housing accommodation, rendered such rent or registration unreliable;

(ii) whether an accommodation is subject to the emergency tenant protection act or the rent stabilization law;

(iii) whether an order issued by the division of housing and community renewal or by a court, including, but not limited to an order issued pursuant to section 26-514 of this chapter, or any regulatory agreement or other contract with any governmental agency, and remaining in effect within six years of the filing of a complaint pursuant to this section, affects or limits the amount of rent that may be charged or collected;

(iv) whether an overcharge was or was not willful;

(v) whether a rent adjustment that requires information regarding the length of occupancy by a present or prior tenant was lawful;

(vi) the existence or terms and conditions of a preferential rent, or the propriety of a legal registered rent during a period when the tenants were charged a preferential rent;

(vii) the legality of a rent charged or registered immediately prior to the registration of a preferential rent; or

1 (viii) the amount of the legal regulated rent where the apartment was
2 vacant or temporarily exempt on the date six years prior to a tenant's
3 complaint.

4 § 6. Section 213-a of the civil practice law and rules, as amended by
5 chapter 116 of the laws of 1997, is amended to read as follows:

6 § 213-a. [~~Actions to be commenced within four years; residential~~
7 ~~Residential~~ rent overcharge. [~~An action on a residential rent overcharge~~
8 ~~shall be commenced within four years of the first overcharge alleged and~~
9 ~~no determination of an overcharge and no award or calculation of an~~
10 ~~award of the amount of any overcharge may be based upon an overcharge~~
11 ~~having occurred more than four years before the action is commenced.~~
12 ~~This section shall preclude examination of the rental history of the~~
13 ~~housing accommodation prior to the four-year period immediately preced-~~
14 ~~ing the commencement of the action.~~] No overcharge penalties or damages
15 may be awarded for a period more than six years before the action is
16 commenced or complaint is filed, however, an overcharge claim may be
17 filed at any time, and the calculation and determination of the legal
18 rent and the amount of the overcharge shall be made in accordance with
19 the provisions of law governing the determination and calculation of
20 overcharges.

21 § 7. This act shall take effect immediately and shall apply to any
22 claims pending or filed on and after such date; provided that the amend-
23 ments to section 26-516 of chapter 4 of title 26 of the administrative
24 code of the city of New York made by sections four and five of this act
25 shall expire on the same date as such law expires and shall not affect
26 the expiration of such law as provided under section 26-520 of such law.

27 PART G

28 Section 1. Short title. This act shall be known and may be cited as
29 the "statewide tenant protection act of 2019."

30 § 2. Section 2 of section 4 of chapter 576 of the laws of 1974,
31 constituting the emergency tenant protection act of nineteen seventy-
32 four, is amended to read as follows:

33 § 2. Legislative finding. The legislature hereby finds and declares
34 that a serious public emergency continues to exist in the housing of a
35 considerable number of persons in the state of New York [~~which emergency~~
36 ~~was at its inception created by war, the effects of war and the after-~~
37 ~~math of hostilities~~], that such emergency [~~necessitated~~] necessitates
38 the intervention of federal, state and local government in order to
39 prevent speculative, unwarranted and abnormal increases in rents; that
40 there continues to exist in many areas of the state an acute shortage of
41 housing accommodations caused by continued high demand, attributable in
42 part to new household formations and decreased supply, in large measure
43 attributable to reduced availability of federal subsidies, and increased
44 costs of construction and other inflationary factors; that a substantial
45 number of persons residing in housing not presently subject to the
46 provisions of this act or the emergency housing rent control law or the
47 local emergency housing rent control act are being charged excessive and
48 unwarranted rents and rent increases; that preventive action by the
49 legislature continues to be imperative in order to prevent exaction of
50 unjust, unreasonable and oppressive rents and rental agreements and to
51 forestall profiteering, speculation and other disruptive practices tend-
52 ing to produce threats to the public health, safety and general welfare;
53 that in order to prevent uncertainty, hardship and dislocation, the
54 provisions of this act are necessary and designed to protect the public

1 health, safety and general welfare; that the transition from regulation
2 to a normal market of free bargaining between landlord and tenant, while
3 the ultimate objective of state policy, must take place with due regard
4 for such emergency; and that the policy herein expressed shall be
5 subject to determination of the existence of a public emergency requir-
6 ing the regulation of residential rents within any city, town or village
7 by the local legislative body of such city, town or village.

8 § 3. Section 14 of section 4 of chapter 576 of the laws of 1974,
9 constituting the emergency tenant protection act of nineteen seventy-
10 four, is amended to read as follows:

11 § 14. Application of act. The provisions of this act shall [~~only~~] be
12 applicable:

13 a. in the city of New York; and

14 b. in [~~the counties of Nassau, Westchester and Rockland~~] all counties
15 within the state of New York outside the city of New York and shall
16 become and remain effective only in a city, town or village located
17 therein as provided in section three of this act.

18 § 4. Subdivision a of section 5 of section 4 of chapter 576 of the
19 laws of 1974 constituting the emergency tenant protection act of nine-
20 teen seventy-four is amended by adding a new paragraph 5-a to read as
21 follows:

22 (5-a) housing accommodations located outside of a city with a popu-
23 lation of one million or more in any such buildings that were vacant and
24 unoccupied on June first, two thousand nineteen and had been vacant and
25 unoccupied for at least the one-year period immediately preceding such
26 date;

27 § 5. Subdivision a of section 4 of section 4 of chapter 576 of the
28 laws of 1974 constituting the emergency tenant protection act of nine-
29 teen hundred seventy-four, as amended by chapter 349 of the laws of
30 1979, is amended and a new subdivision a-1 is added to read as follows:

31 a. In each county wherein any city having a population of less than
32 one million or any town or village has determined the existence of an
33 emergency pursuant to section three of this act, there shall be created
34 a rent guidelines board to consist of nine members appointed by the
35 commissioner of housing and community renewal upon recommendation of the
36 county legislature [~~which~~], except that a rent guidelines board created
37 subsequent to the effective date of the chapter of the laws of two thou-
38 sand nineteen that amended this section shall consist of nine members
39 appointed by the commissioner of housing and community renewal upon
40 recommendations of the local legislative body of each city having a
41 population of less than one million or town or village which has deter-
42 mined the existence of an emergency pursuant to section three of this
43 act. Such recommendation shall be made within thirty days after the
44 first local declaration of an emergency in such county; two such members
45 shall be representative of tenants, two shall be representative of
46 owners of property, and five shall be public members each of whom shall
47 have had at least five years experience in either finance, economics or
48 housing. One public member shall be designated by the commissioner to
49 serve as chairman and shall hold no other public office. No member,
50 officer or employee of any municipal rent regulation agency or the state
51 division of housing and community renewal and no person who owns or
52 manages real estate covered by this law or who is an officer of any
53 owner or tenant organization shall serve on a rent guidelines board. One
54 public member, one member representative of tenants and one member
55 representative of owners shall serve for a term ending two years from
56 January first next succeeding the date of their appointment; one public

1 member, one member representative of tenants and one member represen-
2 tative of owners shall serve for terms ending three years from the Janu-
3 ary first next succeeding the date of their appointment and three public
4 members shall serve for terms ending four years from January first next
5 succeeding the dates of their appointment. Thereafter, all members
6 shall serve for terms of four years each. Members shall continue in
7 office until their successors have been appointed and qualified. The
8 commissioner shall fill any vacancy which may occur by reason of death,
9 resignation or otherwise in a manner consistent with the original
10 appointment. A member may be removed by the commissioner for cause, but
11 not without an opportunity to be heard in person or by counsel, in his
12 defense, upon not less than ten days notice. Compensation for the
13 members of the board shall be at the rate of one hundred dollars per
14 day, for no more than twenty days a year, except that the chairman shall
15 be compensated at the rate of one hundred twenty-five dollars a day for
16 no more than thirty days a year. The board shall be provided staff
17 assistance by the division of housing and community renewal. The compen-
18 sation of such members and the costs of staff assistance shall be paid
19 by the division of housing and community renewal which shall be reim-
20 bursed in the manner prescribed in section four of this act. The local
21 legislative body of each city having a population of less than one
22 million and each town and village in which an emergency has been deter-
23 mined to exist as herein provided shall be authorized to designate one
24 person who shall be representative of tenants and one person who shall
25 be representative of owners of property to serve at its pleasure and
26 without compensation to advise and assist the county rent guidelines
27 board in matters affecting the adjustment of rents for housing accommo-
28 dations in such city, town or village as the case may be.

29 a-1. Notwithstanding the provisions of subdivision a of this section
30 to the contrary, in each county that became subject to this act pursuant
31 to the chapter of the laws of two thousand nineteen that amended this
32 section, the commissioner shall reconstitute the existing rent guide-
33 lines board subsequent to any initial local declaration of emergency
34 within such county for the purpose of ensuring representation of all
35 cities having a population of less than one million and all towns and
36 villages within such county having determined the existence of an emer-
37 gency in accordance with this act are represented, pursuant to rules and
38 regulations promulgated by the division of housing and community
39 renewal.

40 § 6. Severability clause. If any provision of this act or the applica-
41 tion there shall, for any reason be adjudged by any court of competent
42 jurisdiction to be invalid or unconstitutional, such judgement shall not
43 affect, impair or invalidate the remainder of this act, but shall be
44 confined in its operation to the provision thereof directly involved in
45 the controversy in which the judgement shall have been rendered;
46 provided, however, that in the event that the entire system of rent
47 control or stabilization shall be finally adjudged invalid or unconsti-
48 tutional by a court of competent jurisdiction because of the operation
49 of any provision of this act, such provision shall be null, void and
50 without effect, and all other provisions of this act which can be given
51 effect without such invalid provision, as well as provisions of any
52 other law, relating to the control of or stabilization of rent, as in
53 effect prior to the enactment of this act as otherwise amended by this
54 act, shall continue in full force and effect for the period of effec-
55 tiveness set forth in section 17 of chapter 576 of the laws of 1974,

1 constituting the emergency tenant protection act of nineteen seventy-
2 four, as amended.

3 § 7. This act shall take effect immediately.

4 PART H

5 Section 1. Paragraph 5 of subdivision a of section 26-405 of the
6 administrative code of the city of New York is amended to read as
7 follows:

8 (5) Where a maximum rent established pursuant to this chapter on or
9 after January first, nineteen hundred seventy-two, is higher than the
10 previously existing maximum rent, the landlord may not collect an
11 increase from a tenant in occupancy in any one year period of more than
12 the lesser of either seven and one-half percentum [~~increase from a~~
13 ~~tenant in occupancy on such date in any one year period, provided howev-~~
14 ~~er, that where~~] or an average of the previous five years of one-year
15 rent adjustments on rent stabilized apartments as established by the
16 rent guidelines board, pursuant to subdivision b of section 26-510 of
17 this title. If the period for which the rent is established exceeds one
18 year, regardless of how the collection thereof is averaged over such
19 period, the rent the landlord shall be entitled to receive during the
20 first twelve months shall not be increased by more than the lesser of
21 either seven and one-half percentum or an average of the previous five
22 years of one-year rent adjustments on rent stabilized apartments as
23 established by the rent guidelines board, pursuant to subdivision b of
24 section 26-510 of this title, over the previous rent [~~and~~]. Any addi-
25 tional annual rents shall not exceed the lesser of either seven and
26 one-half percentum or an average of the previous five years of one-year
27 rent adjustments on rent stabilized apartments as established by the
28 rent guidelines board, pursuant to subdivision b of section 26-510 of
29 this title, of the rent paid during the previous year. Notwithstanding
30 any of the foregoing limitations in this paragraph five, maximum rent
31 shall be increased if ordered by the agency pursuant to subparagraphs
32 (d), (e), (f), (g), (h), (i), (k), [~~(l)~~], or (m) [~~or (n)~~] of paragraph
33 one of subdivision g of this section. [~~Commencing January first, nine-~~
34 ~~teen hundred eighty, rent adjustments pursuant to subparagraph (n) of~~
35 ~~paragraph one of subdivision g of this section shall be excluded from~~
36 ~~the maximum rent when computing the seven and one-half percentum~~
37 ~~increase authorized by this paragraph five.~~] Where a housing accommo-
38 dation is vacant on January first, nineteen hundred seventy-two, or
39 becomes vacant thereafter by voluntary surrender of possession by the
40 tenants, the maximum rent established for such accommodations may be
41 collected.

42 § 2. Subparagraphs (l) and (n) of paragraph 1 of subdivision g of
43 section 26-405 of the administrative code of the city of New York are
44 REPEALED.

45 § 3. Section 4 of chapter 274 of the laws of 1946, constituting the
46 emergency housing rent control law, is amended by adding a new subdivi-
47 sion 9 to read as follows:

48 9. No annual rent increase authorized pursuant to this act shall
49 exceed the average of the previous five annual rental adjustments
50 authorized by a rent guidelines board for a rent stabilized unit pursu-
51 ant to section 4 of the emergency tenant protection act of nineteen
52 seventy-four.

53 § 4. The administrative code of the city of New York is amended by
54 adding a new section 26-407.1 to read as follows:

1 § 26-407.1 Fuel pass-along to tenants under rent control prohibited.
2 Notwithstanding any other provision of law, rule, regulation, charter or
3 administrative code, tenants of housing accommodations which are subject
4 to rent control under this chapter shall not be subject to a fuel
5 adjustment or pass-along increase in rent and any such increase to such
6 tenant shall be null and void.

7 § 5. This act shall take effect immediately; provided that the amend-
8 ments to section 26-405 of the city rent and rehabilitation law made by
9 section one of this act shall remain in full force and effect only as
10 long as the public emergency requiring the regulation and control of
11 residential rents and evictions continues, as provided in subdivision 3
12 of section 1 of the local emergency housing rent control act; and
13 provided further that the addition of section 26-407.1 to the city rent
14 and rehabilitation law made by section four of this act shall remain in
15 full force and effect only as long as the public emergency requiring the
16 regulation and control of residential rents and evictions continues, as
17 provided in subdivision 3 of section 1 of the local emergency housing
18 rent control act.

19 PART I

20 Section 1. Paragraph 1 of subdivision b of section 26-408 of the
21 administrative code of the city of New York is amended to read as
22 follows:

23 (1) The landlord seeks in good faith to recover possession of a hous-
24 ing accommodation because of immediate and compelling necessity for his
25 or her own personal use and occupancy as his or her primary residence or
26 for the use and occupancy of his or her immediate family as their prima-
27 ry residence provided, however, that this subdivision shall permit
28 recovery of only one housing accommodation and shall not apply where a
29 member of the household lawfully occupying the housing accommodation is
30 sixty-two years of age or older, has been a tenant in a housing accommo-
31 dation in that building for ~~twenty~~ fifteen years or more, or has an
32 impairment which results from anatomical, physiological or psychological
33 conditions, other than addiction to alcohol, gambling, or any controlled
34 substance, which are demonstrable by medically acceptable clinical and
35 laboratory diagnostic techniques, and which are expected to be permanent
36 and which prevent the tenant from engaging in any substantial gainful
37 employment; provided, further, that a tenant required to surrender a
38 housing accommodation by virtue of the operation of subdivision g or h
39 of this section shall have a cause of action in any court of competent
40 jurisdiction for damages, declaratory, and injunctive relief against a
41 landlord or purchaser of the premises who makes a fraudulent statement
42 regarding a proposed use of the housing accommodation. In any action or
43 proceeding brought pursuant to this paragraph a prevailing tenant shall
44 be entitled to recovery of actual damages, and reasonable attorneys'
45 fees; or

46 § 2. Subparagraph (b) of paragraph 9 of subdivision c of section
47 26-511 of the administrative code of the city of New York is amended to
48 read as follows:

49 (b) where he or she seeks to recover possession of one ~~[or more]~~
50 dwelling ~~[units]~~ unit because of immediate and compelling necessity for
51 his or her own personal use and occupancy as his or her primary resi-
52 dence ~~[in the city of New York and/or]~~ or for the use and occupancy of a
53 member of his or her immediate family as his or her primary residence
54 ~~[in the city of New York]~~, provided however, that this subparagraph

1 shall permit recovery of only one dwelling unit and shall not apply
2 where a tenant or the spouse of a tenant lawfully occupying the dwelling
3 unit is sixty-two years of age or older, has been a tenant in a dwelling
4 unit in that building for fifteen years or more, or has an impairment
5 which results from anatomical, physiological or psychological condi-
6 tions, other than addiction to alcohol, gambling, or any controlled
7 substance, which are demonstrable by medically acceptable clinical and
8 laboratory diagnostic techniques, and which are expected to be permanent
9 and which prevent the tenant from engaging in any substantial gainful
10 employment, unless such owner offers to provide and if requested,
11 provides an equivalent or superior housing accommodation at the same or
12 lower stabilized rent in a closely proximate area. The provisions of
13 this subparagraph shall only permit one of the individual owners of any
14 building to recover possession of one [~~or more~~] dwelling [~~units~~] unit
15 for his or her own personal use and/or for that of his or her immediate
16 family. [~~Any~~] A dwelling unit recovered by an owner pursuant to this
17 subparagraph shall not for a period of three years be rented, leased,
18 subleased or assigned to any person other than a person for whose bene-
19 fit recovery of the dwelling unit is permitted pursuant to this subpara-
20 graph or to the tenant in occupancy at the time of recovery under the
21 same terms as the original lease; provided, however, that a tenant
22 required to surrender a housing accommodation by virtue of the operation
23 of subdivision g or h of section 26-408 of this title shall have a cause
24 of action in any court of competent jurisdiction for damages, declarato-
25 ry, and injunctive relief against a landlord or purchaser of the prem-
26 ises who makes a fraudulent statement regarding a proposed use of the
27 housing accommodation. In any action or proceeding brought pursuant to
28 this subparagraph a prevailing tenant shall be entitled to recovery of
29 actual damages, and reasonable attorneys' fees. This subparagraph shall
30 not be deemed to establish or eliminate any claim that the former tenant
31 of the dwelling unit may otherwise have against the owner. Any such
32 rental, lease, sublease or assignment during such period to any other
33 person may be subject to a penalty of a forfeiture of the right to any
34 increases in residential rents in such building for a period of three
35 years; or

36 § 3. Subdivision a of section 10 of section 4 of chapter 576 of the
37 laws of 1974, constituting the emergency tenant protection act of nine-
38 teen seventy-four, as amended by chapter 234 of the laws of 1984, is
39 amended to read as follows:

40 a. For cities having a population of less than one million and towns
41 and villages, the state division of housing and community renewal shall
42 be empowered to implement this act by appropriate regulations. Such
43 regulations may encompass such speculative or manipulative practices or
44 renting or leasing practices as the state division of housing and commu-
45 nity renewal determines constitute or are likely to cause circumvention
46 of this act. Such regulations shall prohibit practices which are likely
47 to prevent any person from asserting any right or remedy granted by this
48 act, including but not limited to retaliatory termination of periodic
49 tenancies and shall require owners to grant a new one or two year vacan-
50 cy or renewal lease at the option of the tenant, except where a mortgage
51 or mortgage commitment existing as of the local effective date of this
52 act provides that the owner shall not grant a one-year lease; and shall
53 prescribe standards with respect to the terms and conditions of new and
54 renewal leases, additional rent and such related matters as security
55 deposits, advance rental payments, the use of escalator clauses in leas-
56 es and provision for increase in rentals for garages and other ancillary

1 facilities, so as to insure that the level of rent adjustments author-
2 ized under this law will not be subverted and made ineffective. Any
3 provision of the regulations permitting an owner to refuse to renew a
4 lease on grounds that the owner seeks to recover possession of [~~the~~] a
5 housing accommodation for his or her own use and occupancy or for the
6 use and occupancy of his or her immediate family shall permit recovery
7 of only one housing accommodation, shall require that an owner demon-
8 strate immediate and compelling need and that the housing accommodation
9 will be the proposed occupants' primary residence and shall not apply
10 where a member of the housing accommodation is sixty-two years of age or
11 older, has been a tenant in a housing accommodation in that building for
12 [~~twenty~~] fifteen years or more, or has an impairment which results from
13 anatomical, physiological or psychological conditions, other than
14 addiction to alcohol, gambling, or any controlled substance, which are
15 demonstrable by medically acceptable clinical and laboratory diagnostic
16 techniques, and which are expected to be permanent and which prevent the
17 tenant from engaging in any substantial gainful employment; provided,
18 however, that a tenant required to surrender a housing accommodation by
19 virtue of the operation of subdivision g or h of section 26-408 of the
20 administrative code of the city of New York shall have a cause of action
21 in any court of competent jurisdiction for damages, declaratory, and
22 injunctive relief against a landlord or purchaser of the premises who
23 makes a fraudulent statement regarding a proposed use of the housing
24 accommodation. In any action or proceeding brought pursuant to this
25 subdivision a prevailing tenant shall be entitled to recovery of actual
26 damages, and reasonable attorneys' fees.

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

31 (a) the landlord seeks in good faith to recover possession of a hous-
32 ing [~~accommodations~~] accommodation because of immediate and compelling
33 necessity for his or her own personal use and occupancy as his or her
34 primary residence or for the use and occupancy of his or her immediate
35 family as their primary residence; provided, however, this subdivision
36 shall permit recovery of only one housing accommodation and shall not
37 apply where a member of the household lawfully occupying the housing
38 accommodation is sixty-two years of age or older, has been a tenant in a
39 housing accommodation in that building for [~~twenty~~] fifteen years or
40 more, or has an impairment which results from anatomical, physiological
41 or psychological conditions, other than addiction to alcohol, gambling,
42 or any controlled substance, which are demonstrable by medically accept-
43 able clinical and laboratory diagnostic techniques, and which are
44 expected to be permanent and which prevent the tenant from engaging in
45 any substantial gainful employment; provided, however, that a tenant
46 required to surrender a housing accommodation by virtue of the operation
47 of subdivision g or h of section 26-408 of the administrative code of
48 the city of New York shall have a cause of action in any court of compe-
49 tent jurisdiction for damages, declaratory, and injunctive relief
50 against a landlord or purchaser of the premises who makes a fraudulent
51 statement regarding a proposed use of the housing accommodation. In any
52 action or proceeding brought pursuant to this paragraph a prevailing
53 tenant shall be entitled to recovery of actual damages, and reasonable
54 attorneys' fees; or

55 § 5. This act shall take effect immediately and shall apply to any
56 tenant in possession at or after the time it takes effect, regardless of

whether the landlord's application for an order, refusal to renew a lease or refusal to extend or renew a tenancy took place before this act shall have taken effect, provided that:

a. the amendments to section 26-408 of the city rent and rehabilitation law made by section one 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; and

b. the amendments to section 26-511 of the rent stabilization law of nineteen hundred sixty-nine made by section 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.

PART J

Section 1. Paragraph 10 and 11 of subdivision a of section 5 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, paragraph 11 as amended by chapter 422 of the laws of 2010, are amended to read as follows:

(10) housing accommodations in buildings operated exclusively for charitable purposes on a non-profit basis except for permanent housing accommodations with government contracted services, as of and after the effective date of the chapter of the laws of two thousand nineteen that amended this paragraph, to vulnerable individuals or individuals with disabilities who are or were homeless or at risk of homelessness; provided, however, that terms of leases in existence as of the effective date of the chapter of the laws of two thousand nineteen that amended this paragraph, shall only be affected upon lease renewal, and further provided that upon the vacancy of such housing accommodations shall be the legal regulated rent paid for such housing accommodations by the prior tenant, subject only to any adjustment adopted by the applicable rent guidelines board;

(11) housing accommodations which are not occupied by the tenant, not including subtenants or occupants, as his or her primary residence, as determined by a court of competent jurisdiction. For the purposes of determining primary residency, a tenant who is a victim of domestic violence, as defined in section four hundred fifty-nine-a of the social services law, who has left the unit because of such violence, and who asserts an intent to return to the housing accommodation shall be deemed to be occupying the unit as his or her primary residence. For the purposes of this paragraph, where a housing accommodation is rented to a not-for-profit hospital for residential use, affiliated subtenants authorized to use such accommodations by such hospital shall be deemed to be tenants. For the purposes of this paragraph, where a housing accommodation is rented to a not-for-profit for providing, as of and after the effective date of the chapter of the laws of two thousand nineteen that amended this paragraph, permanent housing to individuals who are or were homeless or at risk of homelessness, affiliated subtenants authorized to use such accommodations by such not-for-profit shall be deemed to be tenants. No action or proceeding shall be commenced seeking to recover possession on the ground that a housing accommodation is not occupied by the tenant as his or her primary residence unless the owner or lessor shall have given thirty days notice to the tenant of his or her intention to commence such action or proceeding on such grounds.

§ 2. This act shall take effect immediately.

PART K

Section 1. Paragraph 1 of subdivision d of section 6 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 18 of part B of chapter 97 of the laws of 2011, is amended to read as follows:

(1) there has been a substantial modification or increase of dwelling space [~~or an increase in the services~~], or installation of new equipment or improvements or new furniture or furnishings, provided in or to a tenant's housing accommodation, on written informed tenant consent to the rent increase. In the case of a vacant housing accommodation, tenant consent shall not be required. The [~~permanent~~] temporary increase in the legal regulated rent for the affected housing accommodation shall be [~~one-fortieth~~] one-one hundred sixty-eighth, in the case of a building with thirty-five or fewer housing accommodations[, ~~or one-sixtieth,~~] or one-one hundred eightieth in the case of a building with more than thirty-five housing accommodations where such [~~permanent~~] increase takes effect on or after [~~September twenty-fourth, two thousand eleven, of the total cost incurred by the landlord in providing such modification or increase in dwelling space, services, furniture, furnishings or equipment, including the cost of installation, but excluding finance charges~~] the effective date of the chapter of the laws of two thousand nineteen that amended this paragraph, of the total actual cost incurred by the landlord up to fifteen thousand dollars in providing such reasonable and verifiable modification or increase in dwelling space, furniture, furnishings, or equipment, including the cost of installation but excluding finance charges and any costs that exceed reasonable costs established by rules and regulations promulgated by the division of housing and community renewal. Such rules and regulations shall include: (i) requirements for work to be done by licensed contractors and a prohibition on common ownership between the landlord and the contractor or vendor; and (ii) a requirement that the owner resolve within the dwelling space all outstanding hazardous or immediately hazardous violations of the Uniform Fire Prevention and Building Code (Uniform Code), New York City Fire Code, or New York City Building and Housing Maintenance Codes, if applicable. Provided further that an owner who is entitled to a rent increase pursuant to this paragraph shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings. Provided further that the recoverable costs incurred by the landlord, pursuant to this paragraph, shall be limited to an aggregate cost of fifteen thousand dollars that may be expended on no more than three separate individual apartment improvements in a fifteen year period. Provided further that increases to the legal regulated rent pursuant to this paragraph shall be removed from the legal regulated rent thirty years from the date the increase became effective inclusive of any increases granted by the applicable rent guidelines board.

§ 2. Paragraph 13 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 16 of part B of chapter 97 of the laws of 2011, is amended to read as follows:

(13) provides that an owner is entitled to a rent increase where there has been a substantial modification or increase of dwelling space [~~or an increase in the services~~], or installation of new equipment or improvements or new furniture or furnishings provided in or to a tenant's housing accommodation, on written informed tenant consent to the rent

1 increase. In the case of a vacant housing accommodation, tenant consent
2 shall not be required. The [~~permanent~~] temporary increase in the legal
3 regulated rent for the affected housing accommodation shall be [~~one-for-~~
4 ~~tieth,~~] one-one hundred sixty-eighth, in the case of a building with
5 thirty-five or fewer housing accommodations[, ~~or one-sixtieth,~~] or one-
6 one hundred eightieth in the case of a building with more than thirty-
7 five housing accommodations where such [~~permanent~~] increase takes effect
8 on or after [~~September twenty-fourth, two thousand eleven, of the total~~
9 ~~cost incurred by the landlord in providing such modification or increase~~
10 ~~in dwelling space, services, furniture, furnishings or equipment,~~
11 ~~including the cost of installation, but excluding finance charges] the
12 effective date of the chapter of the laws of two thousand nineteen that
13 amended this paragraph, of the total actual cost incurred by the land-
14 lord in providing such reasonable and verifiable modification or
15 increase in dwelling space, furniture, furnishings, or equipment,
16 including the cost of installation but excluding finance charges and any
17 costs that exceed reasonable costs established by rules and regulations
18 promulgated by the division of housing and community renewal. Such rules
19 and regulations shall include: (i) requirements for work to be done by
20 licensed contractors and prohibit common ownership between the landlord
21 and the contractor or vendor; and (ii) a requirement that the owner
22 resolve within the dwelling space all outstanding hazardous or imme-
23 diately hazardous violations of the Uniform Fire Prevention and Building
24 Code (Uniform Code), New York City Fire Code, or New York City Building
25 and Housing Maintenance Codes, if applicable. Provided further that an
26 owner who is entitled to a rent increase pursuant to this paragraph
27 shall not be entitled to a further rent increase based upon the instal-
28 lation of similar equipment, or new furniture or furnishings within the
29 useful life of such new equipment, or new furniture or furnishings.
30 Provided further that the recoverable costs incurred by the landlord,
31 pursuant to this paragraph, shall be limited to an aggregate cost of
32 fifteen thousand dollars that may be expended on no more than three
33 separate individual apartment improvements in a fifteen year period.
34 Provided further that increases to the legal regulated rent pursuant to
35 this paragraph shall be removed from the legal regulated rent thirty
36 years from the date the increase became effective inclusive of any
37 increases granted by the applicable rent guidelines board.~~

38 § 3. Subparagraph (e) of paragraph 1 of subdivision g of section
39 26-405 of the administrative code of the city of New York, as amended by
40 section 15 of part B of chapter 97 of the laws of 2011, is amended to
41 read as follows:

42 (e) The landlord and tenant by mutual voluntary written agreement
43 demonstrating informed consent agree to a substantial increase or
44 decrease in dwelling space or a change in [~~the services,~~] furniture,
45 furnishings or equipment provided in the housing accommodations. An
46 adjustment under this subparagraph shall be equal to [~~one-fortieth~~]
47 one-one hundred sixty-eighth, in the case of a building with thirty-five
48 or fewer housing accommodations[, ~~or one-sixtieth,~~] or one-one hundred
49 eightieth in the case of a building with more than thirty-five housing
50 accommodations where such temporary adjustment takes effect on or after
51 [~~September twenty-fourth, two thousand eleven, of the total cost~~
52 ~~incurred by the landlord in providing such modification or increase in~~
53 ~~dwelling space, services, furniture, furnishings or equipment, including~~
54 ~~the cost of installation, but excluding finance charges, provided] the
55 effective date of the chapter of the laws of two thousand nineteen that
56 amended this subparagraph, of the total actual cost incurred by the~~

1 landlord in providing such reasonable and verifiable modification or
2 increase in dwelling space, furniture, furnishings, or equipment,
3 including the cost of installation but excluding finance charges and any
4 costs that exceed reasonable costs established by rules and regulations
5 promulgated by the division of housing and community renewal. Such rules
6 and regulations shall include: (i) requirements for work to be done by
7 licensed contractors and prohibit common ownership between the landlord
8 and the contractor or vendor; and (ii) a requirement that the owner
9 resolve within the dwelling space all outstanding hazardous or imme-
10 diately hazardous violations of the Uniform Fire Prevention and Building
11 Code (Uniform Code), New York City Fire Code, or New York City Building
12 and Housing Maintenance Codes, if applicable. Provided further that an
13 owner who is entitled to a rent increase pursuant to this subparagraph
14 shall not be entitled to a further rent increase based upon the instal-
15 lation of similar equipment, or new furniture or furnishings within the
16 useful life of such new equipment, or new furniture or furnishings.
17 Provided further that the recoverable costs incurred by the landlord,
18 pursuant to this subparagraph shall be limited to an aggregate cost of
19 fifteen thousand dollars that may be expended on no more than three
20 separate individual apartment improvements in a fifteen year period.
21 Provided further that increases to the legal regulated rent pursuant to
22 this subparagraph shall be removed from the legal regulated rent thirty
23 years from the date the increase became effective inclusive of any
24 increases granted by the applicable rent guidelines board. The owner
25 shall give written notice to the city rent agency of any such temporary
26 adjustment pursuant to this subparagraph; or

27 § 4. The administrative code of the city of New York is amended by
28 adding a new section 26-511.1 to read as follows:

29 § 26-511.1 Major capital improvements and individual apartment
30 improvements in rent regulated units. a. Notwithstanding any other
31 provision of law to the contrary, the division of housing and community
32 renewal, the "division", shall promulgate rules and regulations applica-
33 ble to all rent regulated units that shall:

34 (1) establish a schedule of reasonable costs for major capital
35 improvements, which shall set a ceiling for what can be recovered
36 through a temporary major capital improvement increase, based on the
37 type of improvement and its rate of depreciation;

38 (2) establish the criteria for eligibility of a temporary major capi-
39 tal improvement increase including the type of improvement, which shall
40 be essential for the preservation, energy efficiency, functionality or
41 infrastructure of the entire building, including heating, windows,
42 plumbing and roofing, but shall not be for operational costs or unneces-
43 sary cosmetic improvements. Allowable improvements must additionally be
44 depreciable pursuant to the Internal Revenue Service, other than for
45 ordinary repairs, that directly or indirectly benefit all tenants; and
46 no increase shall be approved for group work done in individual apart-
47 ments that is otherwise not an improvement to an entire building. Only
48 such costs that are actual, reasonable, and verifiable may be approved
49 as a temporary major capital improvement increase;

50 (3) require that any temporary major capital improvement increase
51 granted pursuant to these provisions be reduced by an amount equal to
52 (i) any governmental grant received by the landlord, where such grant
53 compensates the landlord for any improvements required by a city, state
54 or federal government, an agency or any granting governmental entity to
55 be expended for improvements and (ii) any insurance payment received by

1 the landlord where such insurance payment compensates the landlord for
2 any part of the costs of the improvements;

3 (4) prohibit temporary major capital improvement increases for build-
4 ings with outstanding hazardous or immediately hazardous violations of
5 the Uniform Fire Prevention and Building Code (Uniform Code), New York
6 City Fire Code, or New York City Building and Housing Maintenance Codes,
7 if applicable;

8 (5) prohibit individual apartment improvement increases for housing
9 accommodations with outstanding hazardous or immediately hazardous
10 violations of the Uniform Fire Prevention and Building Code (Uniform
11 Code), New York City Fire Code, or New York City Building and Housing
12 Maintenance Codes, if applicable;

13 (6) prohibit temporary major capital improvement increases for build-
14 ings with thirty-five per centum or fewer rent-regulated units;

15 (7) establish that temporary major capital improvement increases shall
16 be fixed to the unit and shall cease thirty years from the date the
17 increase became effective. Temporary major capital improvement increases
18 shall be added to the legal regulated rent as a temporary increase and
19 shall be removed from the legal regulated rent thirty years from the
20 date the increase became effective inclusive of any increases granted by
21 the local rent guidelines board;

22 (8) establish that temporary major capital improvement increases shall
23 be collectible prospectively sixty days from the date of mailing notice
24 of approval to the tenant. Such notice shall disclose the total monthly
25 increase in rent and the first month in which the tenant would be
26 required to pay the temporary increase. An approval for a temporary
27 major capital improvement increase shall not include retroactive
28 payments. The collection of any increase shall not exceed two percent in
29 any year from the effective date of the order granting the increase over
30 the rent set forth in the schedule of gross rents, with collectability
31 of any dollar excess above said sum to be spread forward in similar
32 increments and added to the rent as established or set in future years.
33 Upon vacancy, the landlord may add any remaining balance of the tempo-
34 rary major capital improvement increase to the legal regulated rent.
35 Notwithstanding any other provision of the law, the collection of any
36 rent increases due to any major capital improvements approved on or
37 after June 16, 2012 and before June 16, 2019 shall not exceed two
38 percent in any year beginning on or after September 1, 2019 for any
39 tenant in occupancy on the date the major capital improvement was
40 approved;

41 (9) ensure that the application procedure for temporary major capital
42 improvement increases shall include an itemized list of work performed
43 and a description or explanation of the reason or purpose of such work;

44 (10) provide, that where an application for a major capital improve-
45 ment rent increase has been filed, a tenant shall have sixty days from
46 the date of mailing of a notice of a proceeding in which to answer or
47 reply;

48 (11) establish a notification and documentation procedure for individ-
49 ual apartment improvements that requires an itemized list of work
50 performed and a description or explanation of the reason or purpose of
51 such work, inclusive of photographic evidence documenting the condition
52 prior to and after the completion of the performed work. Provide for the
53 centralized electronic retention of such documentation and any other
54 supporting documentation to be made available in cases pertaining to the
55 adjustment of legal regulated rents; and

(12) establish a form for a temporary individual apartment improvement rent increase for a tenant in occupancy which shall be used by landlords to obtain written informed consent that shall include the estimated total cost of the improvement and the estimated monthly rent increase. Such consent shall be executed in the tenant's primary language. Such form shall be completed and preserved in the centralized electronic retention system. Nothing herein shall relieve a landlord, lessor, or agent thereof of his or her duty to retain proper documentation of all improvements performed or any rent increases resulting from said improvements.

b. The division shall establish an annual inspection and audit process which shall review twenty-five percent of applications for a temporary major capital improvement increase that have been submitted and approved. Such process shall include individual inspections and document review to ensure that owners complied with all obligations and responsibilities under the law for temporary major capital improvement increases. Inspections shall include in-person confirmation that such improvements have been completed in such way as described in the application.

c. The division shall issue a notice to the landlord and all the tenants sixty days prior to the end of the temporary major capital improvement increase and shall include the initial approved increase and the total amount to be removed from the legal regulated rent inclusive of any increases granted by the applicable rent guidelines board.

§ 5. The administrative code of the city of New York is amended by adding a new section 26-405.1 to read as follows:

§ 26-405.1 Major capital improvements and individual apartment improvements in rent regulated units. a. Notwithstanding any other provision of law to the contrary, the division of housing and community renewal, the "division", shall promulgate rules and regulations applicable to all rent regulated units that shall:

(1) establish a schedule of reasonable costs for major capital improvements, which shall set a ceiling for what can be recovered through a temporary major capital improvement increase, based on the type of improvement and its rate of depreciation;

(2) establish the criteria for eligibility of a temporary major capital improvement increase including the type of improvement, which shall be essential for the preservation, energy efficiency, functionality or infrastructure of the entire building, including heating, windows, plumbing and roofing, but shall not be for operational costs or unnecessary cosmetic improvements. Allowable improvements must additionally be depreciable pursuant to the Internal Revenue Service, other than for ordinary repairs, that directly or indirectly benefit all tenants; and no increase shall be approved for group work done in individual apartments that is otherwise not an improvement to an entire building. Only such costs that are actual, reasonable, and verifiable may be approved as a temporary major capital improvement increase;

(3) require that any temporary major capital improvement increase granted pursuant to these provisions be reduced by an amount equal to (i) any governmental grant received by the landlord, where such grant compensates the landlord for any improvements required by a city, state or federal government, an agency or any granting governmental entity to be expended for improvements and (ii) any insurance payment received by the landlord where such insurance payment compensates the landlord for any part of the costs of the improvements;

1 (4) prohibit temporary major capital improvement increases for build-
2 ings with outstanding hazardous or immediately hazardous violations of
3 the Uniform Fire Prevention and Building Code (Uniform Code), New York
4 City Fire Code, or New York City Building and Housing Maintenance Codes,
5 if applicable;

6 (5) prohibit individual apartment improvement increases for housing
7 accommodations with outstanding hazardous or immediately hazardous
8 violations of the Uniform Fire Prevention and Building Code (Uniform
9 Code), New York City Fire Code, or New York City Building and Housing
10 Maintenance Codes, if applicable;

11 (6) prohibit temporary major capital improvement increases for build-
12 ings with thirty-five per centum or fewer rent-regulated units;

13 (7) establish that temporary major capital improvement increases shall
14 be fixed to the unit and shall cease thirty years from the date the
15 increase became effective. Temporary major capital improvement increases
16 shall be added to the legal regulated rent as a temporary increase and
17 shall be removed from the legal regulated rent thirty years from the
18 date the increase became effective inclusive of any increases granted by
19 the local rent guidelines board;

20 (8) establish that temporary major capital improvement increases shall
21 be collectible prospectively sixty days from the date of mailing notice
22 of approval to the tenant. Such notice shall disclose the total monthly
23 increase in rent and the first month in which the tenant would be
24 required to pay the temporary increase. An approval for a temporary
25 major capital improvement increase shall not include retroactive
26 payments. The collection of any increase shall not exceed two percent in
27 any year from the effective date of the order granting the increase over
28 the rent set forth in the schedule of gross rents, with collectability
29 of any dollar excess above said sum to be spread forward in similar
30 increments and added to the rent as established or set in future years.
31 Upon vacancy, the landlord may add any remaining balance of the tempo-
32 rary major capital improvement increase to the legal regulated rent.
33 Notwithstanding any other provision of the law, the collection of any
34 rent increases due to any major capital improvements approved on or
35 after June 16, 2012 and before June 16, 2019 shall not exceed two
36 percent in any year beginning on or after September 1, 2019 for any
37 tenant in occupancy on the date the major capital improvement was
38 approved;

39 (9) ensure that the application procedure for temporary major capital
40 improvement increases shall include an itemized list of work performed
41 and a description or explanation of the reason or purpose of such work;

42 (10) provide, that where an application for a major capital improve-
43 ment rent increase has been filed, a tenant shall have sixty days from
44 the date of mailing of a notice of a proceeding in which to answer or
45 reply;

46 (11) establish a notification and documentation procedure for individ-
47 ual apartment improvements that requires an itemized list of work
48 performed and a description or explanation of the reason or purpose of
49 such work, inclusive of photographic evidence documenting the condition
50 prior to and after the completion of the performed work. Provide for the
51 centralized electronic retention of such documentation and any other
52 supporting documentation to be made available in cases pertaining to the
53 adjustment of legal regulated rents; and

54 (12) establish a form for a temporary individual apartment improvement
55 rent increase for a tenant in occupancy which shall be used by landlords
56 to obtain written informed consent that shall include the estimated

1 total cost of the improvement and the estimated monthly rent increase.
2 Such consent shall be executed in the tenant's primary language. Such
3 form shall be completed and preserved in the centralized electronic
4 retention system. Nothing herein shall relieve a landlord, lessor, or
5 agent thereof of his or her duty to retain proper documentation of all
6 improvements performed or any rent increases resulting from said
7 improvements.

8 b. The division shall establish an annual inspection and audit process
9 which shall review twenty-five percent of applications for a temporary
10 major capital improvement increase that have been submitted and
11 approved. Such process shall include individual inspections and document
12 review to ensure that owners complied with all obligations and responsi-
13 bilities under the law for temporary major capital improvement
14 increases. Inspections shall include in-person confirmation that such
15 improvements have been completed in such way as described in the appli-
16 cation.

17 c. The division shall issue a notice to the landlord and all the
18 tenants sixty days prior to the end of the temporary major capital
19 improvement increase and shall include the initial approved increase and
20 the total amount to be removed from the legal regulated rent inclusive
21 of any increases granted by the applicable rent guidelines board.

22 § 6. Section 4 of chapter 576 of the laws of 1974, constituting the
23 emergency tenant protection act of nineteen seventy-four, is amended by
24 adding a new section 10-b to read as follows:

25 § 10-b. Major capital improvements and individual apartment improve-
26 ments in rent regulated units. (a) Notwithstanding any other provision
27 of law to the contrary, the division of housing and community renewal,
28 the "division", shall promulgate rules and regulations applicable to all
29 rent regulated units that shall:

30 1. establish a schedule of reasonable costs for major capital improve-
31 ments, which shall set a ceiling for what can be recovered through a
32 temporary major capital improvement increase, based on the type of
33 improvement and its rate of depreciation;

34 2. establish the criteria for eligibility of a temporary major capital
35 improvement increase including the type of improvement, which shall be
36 essential for the preservation, energy efficiency, functionality or
37 infrastructure of the entire building, including heating, windows,
38 plumbing and roofing, but shall not be for operational costs or unneces-
39 sary cosmetic improvements. Allowable improvements must additionally be
40 depreciable pursuant to the Internal Revenue Service, other than for
41 ordinary repairs, that directly or indirectly benefit all tenants; and
42 no increase shall be approved for group work done in individual apart-
43 ments that is otherwise not an improvement to an entire building. Only
44 such costs that are actual, reasonable, and verifiable may be approved
45 as a temporary major capital improvement increase;

46 3. require that any temporary major capital improvement increase
47 granted pursuant to these provisions be reduced by an amount equal to
48 (i) any governmental grant received by the landlord, where such grant
49 compensates the landlord for any improvements required by a city, state
50 or federal government, an agency or any granting governmental entity to
51 be expended for improvements and (ii) any insurance payment received by
52 the landlord where such insurance payment compensates the landlord for
53 any part of the costs of the improvements;

54 4. prohibit temporary major capital improvement increases for build-
55 ings with outstanding hazardous or immediately hazardous violations of
56 the Uniform Fire Prevention and Building Code (Uniform Code), New York

1 City Fire Code, or New York City Building and Housing Maintenance Codes,
2 if applicable;

3 5. prohibit individual apartment improvement increases for housing
4 accommodations with outstanding hazardous or immediately hazardous
5 violations of the Uniform Fire Prevention and Building Code (Uniform
6 Code), New York City Fire Code, or New York City Building and Housing
7 Maintenance Codes, if applicable;

8 6. prohibit temporary major capital improvement increases for build-
9 ings with thirty-five per centum or fewer rent-regulated units;

10 7. establish that temporary major capital improvement increases shall
11 be fixed to the unit and shall cease thirty years from the date the
12 increase became effective. Temporary major capital improvement increases
13 shall be added to the legal regulated rent as a temporary increase and
14 shall be removed from the legal regulated rent thirty years from the
15 date the increase became effective inclusive of any increases granted by
16 the local rent guidelines board;

17 8. establish that temporary major capital improvement increases shall
18 be collectible prospectively sixty days from the date of mailing notice
19 of approval to the tenant. Such notice shall disclose the total monthly
20 increase in rent and the first month in which the tenant would be
21 required to pay the temporary increase. An approval for a temporary
22 major capital improvement increase shall not include retroactive
23 payments. The collection of any increase shall not exceed two percent in
24 any year from the effective date of the order granting the increase over
25 the rent set forth in the schedule of gross rents, with collectability
26 of any dollar excess above said sum to be spread forward in similar
27 increments and added to the rent as established or set in future years.
28 Upon vacancy, the landlord may add any remaining balance of the tempo-
29 rary major capital improvement increase to the legal regulated rent.
30 Notwithstanding any other provision of the law, the collection of any
31 rent increases due to any major capital improvements approved on or
32 after June 16, 2012 and before June 16, 2019 shall not exceed two
33 percent in any year beginning on or after September 1, 2019 for any
34 tenant in occupancy on the date the major capital improvement was
35 approved;

36 9. ensure that the application procedure for temporary major capital
37 improvement increases shall include an itemized list of work performed
38 and a description or explanation of the reason or purpose of such work;

39 10. provide, that where an application for a major capital improve-
40 ment rent increase has been filed, a tenant shall have sixty days from
41 the date of mailing of a notice of a proceeding in which to answer or
42 reply;

43 11. establish a notification and documentation procedure for individ-
44 ual apartment improvements that requires an itemized list of work
45 performed and a description or explanation of the reason or purpose of
46 such work, inclusive of photographic evidence documenting the condition
47 prior to and after the completion of the performed work. Provide for the
48 centralized electronic retention of such documentation and any other
49 supporting documentation to be made available in cases pertaining to the
50 adjustment of legal regulated rents; and

51 12. establish a form for a temporary individual apartment improvement
52 rent increase for a tenant in occupancy which shall be used by landlords
53 to obtain written informed consent that shall include the estimated
54 total cost of the improvement and the estimated monthly rent increase.
55 Such consent shall be executed in the tenant's primary language. Such
56 form shall be completed and preserved in the centralized electronic

1 retention system. Nothing herein shall relieve a landlord, lessor, or
2 agent thereof of his or her duty to retain proper documentation of all
3 improvements performed or any rent increases resulting from said
4 improvements.

5 (b) The division shall establish an annual inspection and audit proc-
6 ess which shall review twenty-five percent of applications for a tempo-
7 rary major capital improvement increase that have been submitted and
8 approved. Such process shall include individual inspections and document
9 review to ensure that owners complied with all obligations and responsi-
10 bilities under the law for temporary major capital improvement
11 increases. Inspections shall include in-person confirmation that such
12 improvements have been completed in such way as described in the appli-
13 cation.

14 (c) The division shall issue a notice to the landlord and all the
15 tenants sixty days prior to the end of the temporary major capital
16 improvement increase and shall include the initial approved increase and
17 the total amount to be removed from the legal regulated rent inclusive
18 of any increases granted by the applicable rent guidelines board.

19 § 7. Chapter 274 of the laws of 1946, constituting the emergency hous-
20 ing rent control law, is amended by adding a new section 8-a to read as
21 follows:

22 § 8-a. Major capital improvements and individual apartment improve-
23 ments in rent regulated units. 1. Notwithstanding any other provision
24 of law to the contrary, the division of housing and community renewal,
25 the "division", shall promulgate rules and regulations applicable to all
26 rent regulated units that shall:

27 (a) establish a schedule of reasonable costs for major capital
28 improvements, which shall set a ceiling for what can be recovered
29 through a temporary major capital improvement increase, based on the
30 type of improvement and its rate of depreciation;

31 (b) establish the criteria for eligibility of a temporary major capi-
32 tal improvement increase including the type of improvement, which shall
33 be essential for the preservation, energy efficiency, functionality or
34 infrastructure of the entire building, including heating, windows,
35 plumbing and roofing, but shall not be for operational costs or unneces-
36 sary cosmetic improvements. Allowable improvements must additionally be
37 depreciable pursuant to the Internal Revenue Service, other than for
38 ordinary repairs, that directly or indirectly benefit all tenants; and
39 no increase shall be approved for group work done in individual apart-
40 ments that is otherwise not an improvement to an entire building. Only
41 such costs that are actual, reasonable, and verifiable may be approved
42 as a temporary major capital improvement increase;

43 (c) require that any temporary major capital improvement increase
44 granted pursuant to these provisions be reduced by an amount equal to
45 (i) any governmental grant received by the landlord, where such grant
46 compensates the landlord for any improvements required by a city, state
47 or federal government, an agency or any granting governmental entity to
48 be expended for improvements and (ii) any insurance payment received by
49 the landlord where such insurance payment compensates the landlord for
50 any part of the costs of the improvements;

51 (d) prohibit temporary major capital improvement increases for build-
52 ings with outstanding hazardous or immediately hazardous violations of
53 the Uniform Fire Prevention and Building Code (Uniform Code), New York
54 City Fire Code, or New York City Building and Housing Maintenance Codes,
55 if applicable;

1 (e) prohibit individual apartment improvement increases for housing
2 accommodations with outstanding hazardous or immediately hazardous
3 violations of the Uniform Fire Prevention and Building Code (Uniform
4 Code), New York City Fire Code, or New York City Building and Housing
5 Maintenance Codes, if applicable;

6 (f) prohibit temporary major capital improvement increases for build-
7 ings with thirty-five per centum or fewer rent-regulated units;

8 (g) establish that temporary major capital improvement increases shall
9 be fixed to the unit and shall cease thirty years from the date the
10 increase became effective. Temporary major capital improvement increases
11 shall be added to the legal regulated rent as a temporary increase and
12 shall be removed from the legal regulated rent thirty years from the
13 date the increase became effective inclusive of any increases granted by
14 the local rent guidelines board;

15 (h) establish that temporary major capital improvement increases shall
16 be collectible prospectively sixty days from the date of mailing notice
17 of approval to the tenant. Such notice shall disclose the total monthly
18 increase in rent and the first month in which the tenant would be
19 required to pay the temporary increase. An approval for a temporary
20 major capital improvement increase shall not include retroactive
21 payments. The collection of any increase shall not exceed two percent in
22 any year from the effective date of the order granting the increase over
23 the rent set forth in the schedule of gross rents, with collectability
24 of any dollar excess above said sum to be spread forward in similar
25 increments and added to the rent as established or set in future years.
26 Upon vacancy, the landlord may add any remaining balance of the tempo-
27 rary major capital improvement increases to the legal regulated rent.
28 Notwithstanding any other provision of the law, the collection of any
29 rent increases due to any major capital improvements approved on or
30 after June 16, 2012 and before June 16, 2019 shall not exceed two
31 percent in any year beginning on or after September 1, 2019 for any
32 tenant in occupancy on the date the major capital improvement was
33 approved;

34 (i) ensure that the application procedure for temporary major capital
35 improvement increases shall include an itemized list of work performed
36 and a description or explanation of the reason or purpose of such work;

37 (j) provide, that where an application for a major capital improvement
38 rent increase has been filed, a tenant shall have sixty days from the
39 date of mailing of a notice of a proceeding in which to answer or reply;

40 (k) establish a notification and documentation procedure for individ-
41 ual apartment improvements that requires an itemized list of work
42 performed and a description or explanation of the reason or purpose of
43 such work, inclusive of photographic evidence documenting the condition
44 prior to and after the completion of the performed work. Provide for the
45 centralized electronic retention of such documentation and any other
46 supporting documentation to be made available in cases pertaining to the
47 adjustment of legal regulated rents; and

48 (l) establish a form for a temporary individual apartment improvement
49 rent increase for a tenant in occupancy which shall be used by landlords
50 to obtain written informed consent that shall include the estimated
51 total cost of the improvement and the estimated monthly rent increase.
52 Such consent shall be executed in the tenant's primary language. Such
53 form shall be completed and preserved in the centralized electronic
54 retention system. Nothing herein shall relieve a landlord, lessor, or
55 agent thereof of his or her duty to retain proper documentation of all

1 improvements performed or any rent increases resulting from said
2 improvements.

3 2. The division shall establish an annual inspection and audit process
4 which shall review twenty-five percent of applications for a temporary
5 major capital improvement increase that have been submitted and
6 approved. Such process shall include individual inspections and document
7 review to ensure that owners complied with all obligations and responsi-
8 bilities under the law for temporary major capital improvement
9 increases. Inspections shall include in-person confirmation that such
10 improvements have been completed in such way as described in the appli-
11 cation.

12 3. The division shall issue a notice to the landlord and all the
13 tenants sixty days prior to the end of the temporary major capital
14 improvement increase and shall include the initial approved increase and
15 the total amount to be removed from the legal regulated rent inclusive
16 of any increases granted by the applicable rent guidelines board.

17 § 8. Paragraph 2 of subdivision 3-a and subparagraphs 7 and 8 of the
18 second undesignated paragraph of paragraph (a) of subdivision 4 of
19 section 4 of chapter 274 of the laws of 1946, constituting the emergency
20 housing rent control law, paragraph 2 of subdivision 3-a as amended by
21 chapter 337 of the laws of 1961, subparagraph 8 of the second undesignated
22 paragraph of paragraph (a) of subdivision 4 as amended by section
23 25 of part B of chapter 97 of the laws of 2011 and subparagraph 7 of the
24 second undesignated paragraph of paragraph (a) of subdivision 4 as
25 amended by section 32 of part A of chapter 20 of the laws of 2015, are
26 amended to read as follows:

27 (2) the amount of increases in maximum rent authorized by order
28 because of increases in dwelling space, services, furniture, furnishings
29 or equipment[~~, or major capital improvements~~] and the amount of the
30 temporary increase authorized by order because of a major capital
31 improvement.

32 (7) there has been since March first, nineteen hundred fifty, a major
33 capital improvement [~~required~~] essential for the [~~operation,~~] preserva-
34 tion [~~or maintenance of the structure~~], energy efficiency, functionali-
35 ty, or infrastructure of the entire building, improvement of the struc-
36 ture including heating, windows, plumbing and roofing, but shall not be
37 for operational costs or unnecessary cosmetic improvements; which for
38 any order of the commissioner issued after the effective date of the
39 [~~rent act of 2015~~] chapter of the laws of two thousand nineteen that
40 amended this paragraph the cost of such improvement shall be amortized
41 over [~~an eight-year~~] a twelve-year period for buildings with thirty-five
42 or fewer units or a [~~nine~~] twelve and one-half year period for buildings
43 with more than thirty-five units, and shall be removed from the legal
44 regulated rent thirty years from the date the increase became effective
45 inclusive of any increases granted by the applicable rent guidelines
46 board. Temporary major capital improvement increases shall be collect-
47 ible prospectively sixty days from the date of mailing notice of
48 approval to the tenant. Such notice shall disclose the total monthly
49 increase in rent and the first month in which the tenant would be
50 required to pay the temporary increase. An approval for a temporary
51 major capital improvement increase shall not include retroactive
52 payments. The collection of any increase shall not exceed two percent in
53 any year from the effective date of the order granting the increase over
54 the rent set forth in the schedule of gross rents, with collectability
55 of any dollar excess above said sum to be spread forward in similar
56 increments and added to the rent as established or set in future years.

1 Upon vacancy, the landlord may add any remaining balance of the tempo-
2 rary major capital improvement increase to the legal regulated rent.
3 Notwithstanding any other provision of the law, the collection of any
4 rent increases due to any major capital improvements approved on or
5 after June 16, 2012 and before June 16, 2019 shall not exceed two
6 percent in any year beginning on or after September 1, 2019 for any
7 tenant in occupancy on the date the major capital improvement was
8 approved; or (8) there has been since March first, nineteen hundred
9 fifty, in structures containing more than four housing accommodations,
10 other improvements made with the express informed consent of the tenants
11 in occupancy of at least seventy-five per centum of the housing accommo-
12 dations, provided, however, that no adjustment granted hereunder shall
13 exceed [~~fifteen~~] two per centum unless the tenants have agreed to a
14 higher percentage of increase, as herein provided;

15 § 9. Paragraph 3 of subdivision d of section 6 of section 4 of chapter
16 576 of the laws of 1974, constituting the emergency tenant protection
17 act of nineteen seventy-four, as amended by section 30 of part A of
18 chapter 20 of the laws of 2015, is amended to read as follows:

19 (3) there has been since January first, nineteen hundred seventy-four
20 a major capital improvement [~~required for the operation, preservation or~~
21 ~~maintenance of the structure~~] essential for the preservation, energy
22 efficiency, functionality, or infrastructure of the entire building,
23 improvement of the structure including heating, windows, plumbing and
24 roofing, but shall not be for operation costs or unnecessary cosmetic
25 improvements. An adjustment under this paragraph shall be in an amount
26 sufficient to amortize the cost of the improvements pursuant to this
27 paragraph over [~~an eight-year~~] a twelve-year period for a building with
28 thirty-five or fewer housing accommodations, or a [~~nine-year~~] twelve and
29 one-half period for a building with more than thirty-five housing accom-
30 modations and shall be removed from the legal regulated rent thirty
31 years from the date the increase became effective inclusive of any
32 increases granted by the applicable rent guidelines board, for any
33 determination issued by the division of housing and community renewal
34 after the effective date of the [~~rent act of 2015~~] chapter of the laws
35 of two thousand nineteen that amended this paragraph; the collection of
36 any increase shall not exceed two percent in any year from the effective
37 date of the order granting the increase over the rent set forth in the
38 schedule of gross rents, with collectability of any dollar excess above
39 said sum to be spread forward in similar increments and added to the
40 rent as established or set in future years. Upon vacancy, the landlord
41 may add any remaining balance of the temporary major capital improvement
42 increase to the legal regulated rent. Notwithstanding any other
43 provision of the law, the collection of any rent increases due to any
44 major capital improvements approved on or after June 16, 2012 and before
45 June 16, 2019 shall not exceed two percent in any year beginning on or
46 after September 1, 2019 for any tenant in occupancy on the date the
47 major capital improvement was approved, or

48 § 10. Subparagraph (g) of paragraph 1 of subdivision g of section
49 26-405 of the administrative code of the city of New York, as amended by
50 section 31 of part A of chapter 20 of the laws of 2015, is amended to
51 read as follows:

52 (g) There has been since July first, nineteen hundred seventy, a major
53 capital improvement [~~required~~] essential for the [~~operation,~~] preserva-
54 tion [~~or maintenance of the structure~~] energy efficiency, functionality,
55 or infrastructure of the entire building, improvement of the structure
56 including heating, windows, plumbing and roofing but shall not be for

1 operational costs or unnecessary cosmetic improvements. [~~An adjustment~~]
2 The temporary increase based upon a major capital improvement under this
3 subparagraph [~~(g)~~] for any order of the commissioner issued after the
4 effective date of the [~~rent act of 2015~~] chapter of the laws of two
5 thousand nineteen that amended this subparagraph shall be in an amount
6 sufficient to amortize the cost of the improvements pursuant to this
7 subparagraph (g) over [~~an eight-year~~] a twelve-year period for buildings
8 with thirty-five or fewer units or a [~~nine~~] twelve and one-half year
9 period for buildings with more than thirty-five units, and shall be
10 removed from the legal regulated rent thirty years from the date the
11 increase became effective inclusive of any increases granted by the
12 applicable rent guidelines board. Temporary major capital improvement
13 increases shall be collectible prospectively sixty days from the date of
14 mailing notice of approval to the tenant. Such notice shall disclose the
15 total monthly increase in rent and the first month in which the tenant
16 would be required to pay the temporary increase. An approval for a
17 temporary major capital improvement increase shall not include retroac-
18 tive payments. The collection of any increase shall not exceed two
19 percent in any year from the effective date of the order granting the
20 increase over the rent set forth in the schedule of gross rents, with
21 collectability of any dollar excess above said sum to be spread forward
22 in similar increments and added to the rent as established or set in
23 future years. Upon vacancy, the landlord may add any remaining balance
24 of the temporary major capital improvement increase to the legal regu-
25 lated rent. Notwithstanding any other provision of the law, the
26 collection of any rent increases due to any major capital improvements
27 approved on or after June 16, 2012 and before June 16, 2019 shall not
28 exceed two percent in any year beginning on or after September 1, 2019
29 for any tenant in occupancy on the date the major capital improvement
30 was approved, or

31 § 11. Paragraph 6 of subdivision c of section 26-511 of the adminis-
32 trative code of the city of New York, as amended by section 29 of part A
33 of chapter 20 of the laws of 2015, is amended to read as follows:

34 (6) provides criteria whereby the commissioner may act upon applica-
35 tions by owners for increases in excess of the level of fair rent
36 increase established under this law provided, however, that such crite-
37 ria shall provide (a) as to hardship applications, for a finding that
38 the level of fair rent increase is not sufficient to enable the owner to
39 maintain approximately the same average annual net income (which shall
40 be computed without regard to debt service, financing costs or manage-
41 ment fees) for the three year period ending on or within six months of
42 the date of an application pursuant to such criteria as compared with
43 annual net income, which prevailed on the average over the period nine-
44 teen hundred sixty-eight through nineteen hundred seventy, or for the
45 first three years of operation if the building was completed since nine-
46 teen hundred sixty-eight or for the first three fiscal years after a
47 transfer of title to a new owner provided the new owner can establish to
48 the satisfaction of the commissioner that he or she acquired title to
49 the building as a result of a bona fide sale of the entire building and
50 that the new owner is unable to obtain requisite records for the fiscal
51 years nineteen hundred sixty-eight through nineteen hundred seventy
52 despite diligent efforts to obtain same from predecessors in title and
53 further provided that the new owner can provide financial data covering
54 a minimum of six years under his or her continuous and uninterrupted
55 operation of the building to meet the three year to three year compar-
56 ative test periods herein provided; and (b) as to completed building-

1 wide major capital improvements, for a finding that such improvements
2 are deemed depreciable under the Internal Revenue Code and that the cost
3 is to be amortized over [~~an eight-year~~] a twelve-year period for a
4 building with thirty-five or fewer housing accommodations, or a [~~nine-~~
5 ~~year~~] twelve and one-half-year period for a building with more than
6 thirty-five housing accommodations, for any determination issued by the
7 division of housing and community renewal after the effective date of
8 the [~~rent act of 2015,~~] the chapter of the laws of two thousand nineteen
9 that amended this paragraph and shall be removed from the legal regu-
10 lated rent thirty years from the date the increase became effective
11 inclusive of any increases granted by the applicable rent guidelines
12 board. Temporary major capital improvement increases shall be collect-
13 ible prospectively sixty days from the date of mailing notice of
14 approval to the tenant. Such notice shall disclose the total monthly
15 increase in rent and the first month in which the tenant would be
16 required to pay the temporary increase. An approval for a temporary
17 major capital improvement increase shall not include retroactive
18 payments. The collection of any increase shall not exceed two percent in
19 any year from the effective date of the order granting the increase over
20 the rent set forth in the schedule of gross rents, with collectability
21 of any dollar excess above said sum to be spread forward in similar
22 increments and added to the rent as established or set in future years.
23 Upon vacancy, the landlord may add any remaining balance of the tempo-
24 rary major capital improvement increase to the legal regulated rent.
25 Notwithstanding any other provision of the law, the collection of any
26 rent increases due to any major capital improvements approved on or
27 after June 16, 2012 and before June 16, 2019 shall not exceed two
28 percent in any year beginning on or after September 1, 2019 for any
29 tenant in occupancy on the date the major capital improvement was
30 approved or based upon cash purchase price exclusive of interest or
31 service charges. Notwithstanding anything to the contrary contained
32 herein, no hardship increase granted pursuant to this paragraph shall,
33 when added to the annual gross rents, as determined by the commissioner,
34 exceed the sum of, (i) the annual operating expenses, (ii) an allowance
35 for management services as determined by the commissioner, (iii) actual
36 annual mortgage debt service (interest and amortization) on its indebt-
37 edness to a lending institution, an insurance company, a retirement fund
38 or welfare fund which is operated under the supervision of the banking
39 or insurance laws of the state of New York or the United States, and
40 (iv) eight and one-half percent of that portion of the fair market value
41 of the property which exceeds the unpaid principal amount of the mort-
42 gage indebtedness referred to in subparagraph (iii) of this paragraph.
43 Fair market value for the purposes of this paragraph shall be six times
44 the annual gross rent. The collection of any increase in the stabilized
45 rent for any apartment pursuant to this paragraph shall not exceed six
46 percent in any year from the effective date of the order granting the
47 increase over the rent set forth in the schedule of gross rents, with
48 collectability of any dollar excess above said sum to be spread forward
49 in similar increments and added to the stabilized rent as established or
50 set in future years;

51 § 12. Paragraph 6 of subdivision c of section 26-511 of the adminis-
52 trative code of the city of New York, as amended by section 29 of part A
53 of chapter 20 of the laws of 2015, is amended to read as follows:

54 (6) provides criteria whereby the commissioner may act upon applica-
55 tions by owners for increases in excess of the level of fair rent
56 increase established under this law provided, however, that such crite-

ria shall provide (a) as to hardship applications, for a finding that the level of fair rent increase is not sufficient to enable the owner to maintain approximately the same average annual net income (which shall be computed without regard to debt service, financing costs or management fees) for the three year period ending on or within six months of the date of an application pursuant to such criteria as compared with annual net income, which prevailed on the average over the period nineteen hundred sixty-eight through nineteen hundred seventy, or for the first three years of operation if the building was completed since nineteen hundred sixty-eight or for the first three fiscal years after a transfer of title to a new owner provided the new owner can establish to the satisfaction of the commissioner that he or she acquired title to the building as a result of a bona fide sale of the entire building and that the new owner is unable to obtain requisite records for the fiscal years nineteen hundred sixty-eight through nineteen hundred seventy despite diligent efforts to obtain same from predecessors in title and further provided that the new owner can provide financial data covering a minimum of six years under his or her continuous and uninterrupted operation of the building to meet the three year to three year comparative test periods herein provided; and (b) as to completed building-wide major capital improvements, for a finding that such improvements are deemed depreciable under the Internal Revenue Code and that the cost is to be amortized over an eight-year period for a building with thirty-five or fewer housing accommodations, or a nine-year period for a building with more than thirty-five housing accommodations, for any determination issued by the division of housing and community renewal after the effective date of the rent act of 2015, based upon cash purchase price exclusive of interest or service charges. Where an application for a temporary major capital improvement increase has been filed, a tenant shall have sixty days from the date of mailing of a notice of a proceeding in which to answer or reply. The state division of housing and community renewal shall provide any responding tenant with the reasons for the division's approval or denial of such application. Notwithstanding anything to the contrary contained herein, no hardship increase granted pursuant to this paragraph shall, when added to the annual gross rents, as determined by the commissioner, exceed the sum of, (i) the annual operating expenses, (ii) an allowance for management services as determined by the commissioner, (iii) actual annual mortgage debt service (interest and amortization) on its indebtedness to a lending institution, an insurance company, a retirement fund or welfare fund which is operated under the supervision of the banking or insurance laws of the state of New York or the United States, and (iv) eight and one-half percent of that portion of the fair market value of the property which exceeds the unpaid principal amount of the mortgage indebtedness referred to in subparagraph (iii) of this paragraph. Fair market value for the purposes of this paragraph shall be six times the annual gross rent. The collection of any increase in the stabilized rent for any apartment pursuant to this paragraph shall not exceed six percent in any year from the effective date of the order granting the increase over the rent set forth in the schedule of gross rents, with collectability of any dollar excess above said sum to be spread forward in similar increments and added to the stabilized rent as established or set in future years;

§ 13. Subdivision d of section 6 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nine-

teen seventy-four, is amended by adding a new paragraph 3-a to read as follows:

(3-a) an application for a temporary major capital improvement increase has been filed, a tenant shall have sixty days from the date of mailing of a notice of a proceeding in which to answer or reply. The state division of housing and community renewal shall provide any responding tenant with the reasons for the division's approval or denial of such application; or

§ 14. Subparagraph 7 of the second undesignated paragraph of paragraph (a) of subdivision 4 of section 4 of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, as amended by section 32 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

(7) there has been since March first, nineteen hundred fifty, a major capital improvement required for the operation, preservation or maintenance of the structure; which for any order of the commissioner issued after the effective date of the rent act of 2015 the cost of such improvement shall be amortized over an eight-year period for buildings with thirty-five or fewer units or a nine year period for buildings with more than thirty-five units, provided, however, where an application for a temporary major capital improvement increase has been filed, a tenant shall have sixty days from the date of mailing of a notice of a proceeding in which to answer or reply. The state division of housing and community renewal shall provide any responding tenant with the reasons for the division's approval or denial of such application; or

§ 15. Subdivision a of section 26-517.1 of the administrative code of the city of New York, as added by local law number 95 of the city of New York for the year 1985, is amended to read as follows:

a. The [~~Department~~] department of [~~Finance~~] finance shall collect from the owner of each housing accommodation registered pursuant to [~~Section~~] section 26-517 of this [~~law~~] chapter an annual fee in the amount of [~~ten~~] twenty dollars per year for each unit subject to this law, in order to defray costs incurred by the city pursuant to subdivision c of section eight of the emergency tenant protection act of nineteen hundred seventy-four.

§ 16. Subdivisions c and d of section 8 of section 4 of chapter 576 of the laws of 1974 constituting the emergency tenant protection act of nineteen seventy-four, subdivision c as amended by section 5 of part Z of chapter 56 of the laws of 2010 and subdivision d as amended by chapter 116 of the laws of 1997, are amended to read as follows:

c. Whenever a city having a population of one million or more has determined the existence of an emergency pursuant to section three of this act, the provisions of this act and the New York city rent stabilization law of nineteen hundred sixty-nine shall be administered by the state division of housing and community renewal as provided in the New York city rent stabilization law of nineteen hundred sixty-nine, as amended, or as otherwise provided by law. The costs incurred by the state division of housing and community renewal in administering such regulation shall be paid by such city. All payments for such administration shall be transmitted to the state division of housing and community renewal as follows: on or after April first of each year commencing with April, nineteen hundred eighty-four, the commissioner of housing and community renewal shall determine an amount necessary to defray the division's anticipated annual cost, and one-quarter of such amount shall be paid by such city on or before July first of such year, one-quarter of such amount on or before October first of such year, one-quarter of

1 such amount on or before January first of the following year and one-
2 quarter of such amount on or before March thirty-first of the following
3 year. After the close of the fiscal year of the state, the commissioner
4 shall determine the amount of all actual costs incurred in such fiscal
5 year and shall certify such amount to such city. If such certified
6 amount shall differ from the amount paid by the city for such fiscal
7 year, appropriate adjustments shall be made in the next quarterly
8 payment to be made by such city. In the event that the amount thereof is
9 not paid to the commissioner as herein prescribed, the commissioner
10 shall certify the unpaid amount to the comptroller, and the comptroller
11 shall, to the extent not otherwise prohibited by law, withhold such
12 amount from any state aid payable to such city. In no event shall the
13 amount imposed on the owners exceed [~~ten~~] twenty dollars per unit per
14 year.

15 d. The failure to pay the prescribed assessment not to exceed [~~ten~~]
16 twenty dollars per unit for any housing accommodation subject to this
17 act or the New York city rent stabilization law of nineteen hundred
18 sixty-nine shall constitute a charge due and owing such city, town or
19 village which has imposed an annual charge for each such housing accom-
20 modation pursuant to subdivision b of this section. Any such city, town
21 or village shall be authorized to provide for the enforcement of the
22 collection of such charges by commencing an action or proceeding for the
23 recovery of such fees or by the filing of a lien upon the building and
24 lot. Such methods for the enforcement of the collection of such charges
25 shall be the sole remedy for the enforcement of this section.

26 § 17. Notwithstanding any other provision of law to the contrary, the
27 increased revenues of ten dollars per unit per year to the commissioner
28 of the state division of housing and community renewal pursuant to this
29 act, for the purpose of enforcement of rent regulations, shall be
30 divided equally by the commissioner between the office of rent adminis-
31 tration and the office of the tenant protection unit within the division
32 of housing and community renewal and shall be utilized by the commis-
33 sioner in addition to and not in substitution for the levels of funding
34 from all sources provided to the office of rent administration and the
35 office of the tenant protection unit on the effective date of this act.

36 § 18. This act shall take effect immediately; provided, however, that:

37 (a) the amendments to chapter 4 of title 26 of the administrative code
38 of the city of New York made by sections two, four, eleven, twelve and
39 fifteen of this act shall expire on the same date as such chapter
40 expires and shall not affect the expiration of such chapter as provided
41 under section 26-520 of such law;

42 (b) provided that the amendments to sections 26-405 and 26-405.1 of
43 the city rent and rehabilitation law made by sections three, five and
44 ten of this act shall remain in full force and effect only as long as
45 the public emergency requiring the regulation and control of residential
46 rents and evictions continues, as provided in subdivision 3 of section 1
47 of the local emergency housing rent control act;

48 (c) effective immediately, the addition, amendment and/or repeal of
49 any rule or regulation necessary for the implementation of this act on
50 its effective date are authorized and directed to be made and completed
51 on or before such effective date.

52 PART L

53 Section 1. Short title. This act shall be known and may be cited as
54 the "rent regulation reporting act of 2019".

1 § 2. Section 20 of the public housing law, as added by chapter 576 of
2 the laws of 1989, is amended to read as follows:

3 § 20. Annual reports. 1. The commissioner shall, on or before October
4 first in each year, beginning in nineteen hundred ninety, submit one or
5 more reports to the governor, the temporary president of the senate, the
6 speaker of the assembly, the minority leader of the senate and minority
7 leader of the assembly on the activity and implementation of the state
8 housing assistance programs for the previous fiscal year. In addition,
9 the commissioner shall, on or before February first in each year, begin-
10 ning in nineteen hundred ninety-one, submit an interim report which
11 contains, in tabular format only, the non-narrative data compiled
12 through November thirtieth of each year. The commissioner shall submit
13 on or before February first, nineteen hundred ninety a report for the
14 fiscal year commencing April first, nineteen hundred eighty-eight and
15 the most up to date non-narrative data, in tabular format only, but in
16 no event less than the data compiled through September thirtieth, nine-
17 teen hundred eighty-nine. All such reports shall include, but not be
18 limited to the low income housing trust fund program, the affordable
19 home ownership development program, the urban initiatives program, the
20 rural area revitalization program, the rural rental assistance program,
21 the homeless housing and assistance program, the housing opportunities
22 program for the elderly, the state of New York mortgage agency forward
23 commitment and mortgage insurance programs, the housing finance agency
24 secured loan rental program, the turnkey/enhanced housing trust fund
25 program, the special needs housing program, the permanent housing for
26 the homeless program, the infrastructure development demonstration
27 program and the mobile home cooperative fund program. For the purpose
28 of producing such report or reports, the commissioner shall be author-
29 ized to rely on information provided by each administering agency or
30 authority. Such report or reports shall, to the extent applicable to a
31 specific program, include but not be limited to: (i) a narrative for
32 each program reported describing the program purpose, eligible appli-
33 cants, eligible areas, income population to be served, and limitations
34 on funding; (ii) for each eligible applicant receiving funding under the
35 Housing Trust Fund or the Affordable Home Ownership Development programs
36 during the year specified herein, such applicant's name and address, a
37 description of the applicant's contract amount, a narrative description
38 of the specific activities performed by such applicant, and the income
39 levels of the occupants to be served by the units all as proposed by the
40 applicant at the time the contract is awarded; (iii) a description of
41 the distribution of funds for each category of project funded under each
42 program; (iv) the number of units or beds under award, under contract,
43 under construction and completed based on a change in project status
44 during the year for each program; (v) the number of units or beds
45 assisted during the year under each program; (vi) the amount and type of
46 assistance provided for such units or beds placed under contract; (vii)
47 based on total project costs, the number of units or beds under contract
48 and assisted through new construction, substantial rehabilitation,
49 moderate rehabilitation, improvements to existing units or beds, and
50 through acquisition only for each program; (viii) for the number of
51 units or beds under contract assisted through new construction, substan-
52 tial rehabilitation, moderate rehabilitation, improvements to existing
53 units or beds, and through acquisition only, the level of state assist-
54 ance expressed as a percentage of total project cost; (ix) for those
55 units and beds under contract a calculation of the amount of non-state
56 funds provided expressed as a percentage of total project cost; (x) the

1 number of units or beds completed and under award, under contract and
2 under construction for each program based on the current program pipe-
3 line; (xi) for units or beds for which mortgage assistance was provided
4 by the state of New York mortgage agency, the number of existing and
5 newly constructed units; and (xii) a list, by program, of units or beds
6 assisted within each county. To the extent that any law establishing or
7 appropriating funds for any of the aforementioned programs requires the
8 commissioner to produce a report containing data substantially similar
9 to that required herein, this report shall be deemed to satisfy such
10 other requirements.

11 2. The commissioner shall, on or before December thirty-first, two
12 thousand nineteen, and on or before December thirty-first in each subse-
13 quent year, submit and make publicly available a report to the governor,
14 the temporary president of the senate, the speaker of the assembly, and
15 on its website, on the implementation of the system of rent regulation
16 pursuant to chapter five hundred seventy-six of the laws of nineteen
17 hundred seventy-four, chapter two hundred seventy four of the laws of
18 nineteen hundred forty-six, chapter three hundred twenty-nine of the
19 laws of nineteen hundred sixty-three, chapter five hundred fifty-five of
20 the laws of nineteen hundred eighty-two, chapter four hundred two of the
21 laws of nineteen hundred eighty-three, chapter one hundred sixteen of
22 the laws of nineteen hundred ninety-seven, sections 26-501, 26-502, and
23 26-520 of the administrative code of the city of New York and the hous-
24 ing stability and tenant protection act of 2019. Such report shall
25 include but not be limited to: a narrative describing the programs and
26 activities undertaken by the office of rent administration and the
27 tenant protection unit, and any other programs or activities undertaken
28 by the division to implement, administer, and enforce the system of rent
29 regulation; and in tabular format, for each of the three fiscal years
30 immediately preceding the date the report is due: (i) the number of rent
31 stabilized housing accommodations within each county; (ii) the number of
32 rent controlled housing accommodations within each county; (iii) the
33 number of applications for major capital improvements filed with the
34 division, the number of such applications approved as submitted, the
35 number of such applications approved with modifications, and the number
36 of such applications rejected; (iv) the median and mean value of appli-
37 cations for major capital improvements approved; (v) the number of units
38 which were registered with the division where the amount charged to and
39 paid by the tenant was less than the registered rent for the housing
40 accommodation; (vi) for housing accommodations that were registered with
41 the division where the amount charged to and paid by the tenant was less
42 than the registered rent for the housing accommodation, the median and
43 mean difference between the registered rent for a housing accommodation
44 and the amount charged to and paid by the tenant; (vii) the median and
45 mean registered rent for housing accommodations for which the lease was
46 renewed by an existing tenant; (viii) the median and mean registered
47 rent for housing accommodations for which a lease was signed by a new
48 tenant after a vacancy; (ix) the median and mean increase, in dollars
49 and as a percentage, in the registered rent for housing accommodations
50 where the lease was signed by a new tenant after a vacancy; (x) the
51 median and mean increase, in dollars and as a percentage, in the regis-
52 tered rent for housing accommodations where the lease was signed by a
53 new tenant after a vacancy, where the amount charged to and paid by the
54 prior tenant was the full registered rent; (xi) the median and mean
55 increase, in dollars and as a percentage, in the registered rent for
56 housing accommodations where the lease was signed by a new tenant after

1 a vacancy, where the amount changed to and paid by the prior tenant was
2 less than the registered rent; (xii) the number of rent overcharge
3 complaints processed by the division; (xiii) the number of final over-
4 charge orders granting an overcharge; (xiv) the number of investigations
5 commenced by the tenant protection unit, the aggregate number of rent
6 stabilized or rent controlled housing accommodations in each county that
7 were the subject of such investigations, and the dispositions of such
8 investigations. At the time the report is due, the commissioner shall
9 make available to the governor, the temporary president of the senate,
10 the speaker of the assembly, and shall make publicly available, and on
11 its website in machine readable format, the data used to tabulate the
12 figures required to be included in the report, taking any steps neces-
13 sary to protect confidential information regarding individual buildings,
14 housing accommodations, property owners, and tenants.

15 § 3. This act shall take effect immediately.

16 PART M

17 Section 1. Short title. This act shall be known and may be cited as
18 the "statewide housing security and tenant protection act of 2019".

19 § 2. Section 223-b of the real property law, as amended by chapter 584
20 of the laws of 1991, subdivision 5-a as added by chapter 466 of the laws
21 of 2005, is amended to read as follows:

22 § 223-b. Retaliation by landlord against tenant. 1. No landlord of
23 premises or units to which this section is applicable shall serve a
24 notice to quit upon any tenant or commence any action to recover real
25 property or summary proceeding to recover possession of real property in
26 retaliation for:

27 a. A good faith complaint, by or in behalf of the tenant, to the land-
28 lord, the landlord's agent or a governmental authority of the landlord's
29 alleged violation of any health or safety law, regulation, code, or
30 ordinance, the warranty of habitability under section two hundred thir-
31 ty-five-b of this article, the duty to repair under sections seventy-
32 eight, seventy-nine, and eighty of the multiple dwelling law or section
33 one hundred seventy-four of the multiple residence law, or any law or
34 regulation which has as its objective the regulation of premises used
35 for dwelling purposes or which pertains to the offense of rent gouging
36 in the third, second or first degree; or

37 b. Actions taken in good faith, by or in behalf of the tenant, to
38 secure or enforce any rights under the lease or rental agreement, the
39 warranty of habitability under section two hundred thirty-five-b of this
40 [chapter] article, the duty to repair under sections seventy-eight,
41 seventy-nine, and eighty of the multiple dwelling law or section one
42 hundred seventy-four of the multiple residence law, or under any other
43 law of the state of New York, or of its governmental subdivisions, or of
44 the United States which has as its objective the regulation of premises
45 used for dwelling purposes or which pertains to the offense of rent
46 gouging in the third, second or first degree; or

47 c. The tenant's participation in the activities of a tenant's organ-
48 ization.

49 2. No landlord ~~[or]~~ of premises or units to which this section is
50 applicable or such landlord's agent shall substantially alter the terms
51 of the tenancy in retaliation for any actions set forth in paragraphs a,
52 b, and c of subdivision one of this section. Substantial alteration
53 shall include, but is not limited to, the refusal to continue a tenancy
54 of the tenant ~~[or]~~, upon expiration of the tenant's lease, to renew the

1 lease or offer a new lease, or offering a new lease with an unreasonable
2 rent increase; provided, however, that a landlord shall not be required
3 under this section to offer a new lease or a lease renewal for a term
4 greater than one year [~~and after such extension of a tenancy for one~~
5 ~~year shall not be required to further extend or continue such tenancy~~].

6 3. A landlord shall be subject to a civil action for damages, attor-
7 ney's fees and costs and other appropriate relief, including injunctive
8 and other equitable remedies, as may be determined by a court of compe-
9 tent jurisdiction in any case in which the landlord has violated the
10 provisions of this section.

11 4. In any action to recover real property or summary proceeding to
12 recover possession of real property, judgment shall be entered for the
13 tenant if the court finds that the landlord is acting in retaliation for
14 any action set forth in paragraphs a, b, and c of subdivision one of
15 this section [~~and further finds that the landlord would not otherwise~~
16 ~~have commenced such action or proceeding~~]. Retaliation shall be asserted
17 as an affirmative defense in such action or proceeding. The tenant shall
18 not be relieved of the obligation to pay any rent for which he is other-
19 wise liable.

20 5. In an action or proceeding instituted against a tenant of premises
21 or a unit to which this section is applicable, a rebuttable presumption
22 that the landlord is acting in retaliation shall be created if the
23 tenant establishes that the landlord served a notice to quit, or insti-
24 tuted an action or proceeding to recover possession, or attempted to
25 substantially alter the terms of the tenancy, within [~~six months~~] one
26 year after:

27 a. A good faith complaint was made, by or in behalf of the tenant, to
28 the landlord, the landlord's agent or a governmental authority of the
29 landlord's violation of any health or safety law, regulation, code, or
30 ordinance, the warranty of habitability under section two hundred thir-
31 ty-five-b of this article, the duty to repair under sections seventy-
32 eight, seventy-nine, and eighty of the multiple dwelling law or section
33 one hundred seventy-four of the multiple residence law, or any law or
34 regulation which has as its objective the regulation of premises used
35 for dwelling purposes or which pertains to the offense of rent gouging
36 in the third, second or first degree; or

37 b. The tenant in good faith [~~commenced an action or proceeding in a~~
38 ~~court or administrative body of competent jurisdiction~~] took action to
39 secure or enforce against the landlord or his agents any rights under
40 the lease or rental agreement, the warranty of habitability under
41 section two hundred thirty-five-b of this [~~chapter~~] article, the duty to
42 repair under sections seventy-eight, seventy-nine, and eighty of the
43 multiple dwelling law or section one hundred seventy-four of the multi-
44 ple residence law, or under any other law of the state of New York, or
45 of its governmental subdivisions, or of the United States which has as
46 its objective the regulation of premises used for dwelling purposes or
47 which pertains to the offense of rent gouging in the third, second or
48 first degree.

49 c. Judgment under subdivision three or four of this section was
50 entered for the tenant in a previous action between the parties; or an
51 inspection was made, an order was entered, or other action was taken as
52 a result of a complaint or act described in paragraph a or b of this
53 subdivision.

54 [~~But the presumption shall not apply in an action or proceeding based~~
55 ~~on the violation by the tenant of the terms and conditions of the lease~~
56 ~~or rental agreement, including nonpayment of the agreed-upon rent.~~]

1 The effect of the presumption shall be to require the landlord to
2 ~~[provide a credible explanation of]~~ establish a non-retaliatory motive
3 for his acts~~[. Such an explanation shall overcome and remove the~~
4 ~~presumption unless the tenant disproves it]~~ by a preponderance of the
5 evidence.

6 5-a. Any lease provision which seeks to assess a fee, penalty or
7 dollar charge, in addition to the stated rent, against a tenant because
8 such tenant files a bona fide complaint with the landlord, the land-
9 lord's agent or a building code officer regarding the condition of such
10 tenant's leased premises shall be null and void as being against public
11 policy. A landlord or agent of the landlord who seeks to enforce such a
12 fee, penalty or charge shall be liable to the tenant for triple the
13 amount of such fee, penalty or charge.

14 6. This section shall apply to all rental residential premises except
15 owner-occupied dwellings with less than four units. However, its
16 provisions shall not be given effect in any case in which it is estab-
17 lished that the condition from which the complaint or action arose was
18 caused by the tenant, a member of the tenant's household, or a guest of
19 the tenant. Nor shall it apply in a case where a tenancy was terminated
20 pursuant to the terms of a lease as a result of a bona fide transfer of
21 ownership.

22 § 3. The real property law is amended by adding a new section 226-c to
23 read as follows:

24 § 226-c. Notice of rent increase or non-renewal of residential tenan-
25 cy. 1. Whenever a landlord intends to offer to renew the tenancy of an
26 occupant in a residential dwelling unit with a rent increase equal to or
27 greater than five percent above the current rent, or the landlord does
28 not intend to renew the tenancy, the landlord shall provide written
29 notice as required in subdivision two of this section. If the landlord
30 fails to provide timely notice, the occupant's lawful tenancy shall
31 continue under the existing terms of the tenancy from the date on which
32 the landlord gave actual written notice until the notice period has
33 expired, notwithstanding any provision of a lease or other tenancy
34 agreement to the contrary.

35 2. (a) If the tenant has occupied the unit for less than one year and
36 does not have a lease term of at least one year, the landlord shall
37 provide at least thirty days' notice.

38 (b) If the tenant has occupied the unit for more than one year but
39 less than two years, or has a lease term of at least one year but less
40 than two years, the landlord shall provide at least sixty days' notice.

41 (c) If the tenant has occupied the unit for more than two years or has
42 a lease term of at least two years, the landlord shall provide at least
43 ninety days' notice.

44 § 4. The real property law is amended by adding a new section 227-e to
45 read as follows:

46 § 227-e. Landlord duty to mitigate damages. In any lease or rental
47 agreement, excluding any real estate purchase contract defined in para-
48 graphs (a), (c) and (d) of subdivision four of section four hundred
49 sixty-one of this chapter, covering premises occupied for dwelling
50 purposes, if a tenant vacates a premises in violation of the terms of
51 the lease, the landlord shall, in good faith and according to the land-
52 lord's resources and abilities, take reasonable and customary actions to
53 rent the premises at fair market value or at the rate agreed to during
54 the term of the tenancy, whichever is lower. If the landlord rents the
55 premises at fair market value or at the rate agreed to during the term
56 of the tenancy, the new tenant's lease shall, once in effect, terminate

1 the previous tenant's lease and mitigate damages otherwise recoverable
2 against the previous tenant because of such tenant's vacating the prem-
3 ises. The burden of proof shall be on the party seeking to recover
4 damages. Any provision in a lease that exempts a landlord's duty to
5 mitigate damages under this section shall be void as contrary to public
6 policy.

7 § 5. The real property law is amended by adding a new section 227-f to
8 read as follows:

9 § 227-f. Denial on the basis of involvement in prior disputes prohib-
10 ited. 1. No landlord of a residential premises shall refuse to rent or
11 offer a lease to a potential tenant on the basis that the potential
12 tenant was involved in a past or pending landlord-tenant action or
13 summary proceeding under article seven of the real property actions and
14 proceedings law. There shall be a rebuttable presumption that a person
15 is in violation of this section if it is established that the person
16 requested information from a tenant screening bureau relating to a
17 potential tenant or otherwise inspected court records relating to a
18 potential tenant and the person subsequently refuses to rent or offer a
19 lease to the potential tenant.

20 2. Whenever the attorney general shall believe from evidence satisfac-
21 tory to him or her that any person, firm, corporation or association or
22 agent or employee thereof has violated subdivision one of this section,
23 he or she may bring an action or special proceeding in the supreme court
24 for a judgment enjoining the continuance of such violation and for a
25 civil penalty of not less than five hundred dollars, but not more than
26 one thousand dollars for each violation.

27 § 6. Section 232-a of the real property law, as amended by chapter 312
28 of the laws of 1962, is amended to read as follows:

29 § 232-a. Notice to terminate monthly tenancy or tenancy from month to
30 month in the city of New York. No monthly tenant, or tenant from month
31 to month, shall hereafter be removed from any lands or buildings in the
32 city of New York on the grounds of holding over [~~his~~] the tenant's term
33 unless [~~at least thirty days before the expiration of the term~~] pursuant
34 to the notice period required by subdivision two of section two hundred
35 twenty-six-c of this article, the landlord or [~~his~~] the landlord's agent
36 serve upon the tenant, in the same manner in which a notice of petition
37 in summary proceedings is now allowed to be served by law, a notice in
38 writing to the effect that the landlord elects to terminate the tenancy
39 and that unless the tenant removes from such premises on the day [~~on~~
40 ~~which his term expires~~] designated in the notice, the landlord will
41 commence summary proceedings under the statute to remove such tenant
42 therefrom.

43 § 7. Section 232-b of the real property law, as added by chapter 813
44 of the laws of 1942, is amended to read as follows:

45 § 232-b. Notification to terminate monthly tenancy or tenancy from
46 month to month outside the city of New York. A monthly tenancy or tenan-
47 cy from month to month of any lands or buildings located outside of the
48 city of New York may be terminated by the [~~landlord or the~~] tenant upon
49 [~~his~~] the tenant's notifying the [~~other~~] landlord at least one month
50 before the expiration of the term of [~~his~~] the tenant's election to
51 terminate; provided, however, that no notification shall be necessary to
52 terminate a tenancy for a definite term.

53 § 8. Section 234 of the real property law, as amended by chapter 297
54 of the laws of 1969, is amended to read as follows:

55 § 234. [~~Tenants' right~~] Right to recover attorneys' fees in actions or
56 summary proceedings arising out of leases of residential property.

1 Whenever a lease of residential property shall provide that in any
2 action or summary proceeding the landlord may recover attorneys' fees
3 and/or expenses incurred as the result of the failure of the tenant to
4 perform any covenant or agreement contained in such lease, or that
5 amounts paid by the landlord therefor shall be paid by the tenant as
6 additional rent, there shall be implied in such lease a covenant by the
7 landlord to pay to the tenant the reasonable attorneys' fees and/or
8 expenses incurred by the tenant as the result of the failure of the
9 landlord to perform any covenant or agreement on its part to be
10 performed under the lease or in the successful defense of any action or
11 summary proceeding commenced by the landlord against the tenant arising
12 out of the lease, and an agreement that such fees and expenses may be
13 recovered as provided by law in an action commenced against the landlord
14 or by way of counterclaim in any action or summary proceeding commenced
15 by the landlord against the tenant. A landlord may not recover attor-
16 neys' fees upon a default judgment. Any waiver of this section shall be
17 void as against public policy.

18 § 9. Section 235-e of the real property law, as amended by chapter
19 848 of the laws of 1986, is amended to read as follows:

20 § 235-e. Duty [~~of landlord~~] to provide a written receipt. (a) Upon the
21 receipt of the payment of rent for residential premises in the form of
22 cash, or any instrument other than the personal check of the [~~tenant~~]
23 lessee, it shall be the duty of the [~~landlord~~] lessor, or any agent of
24 the lessor authorized to receive rent, to provide the [~~payer~~] lessee
25 with a written receipt containing the following:

- 26 1. The date;
- 27 2. The amount;
- 28 3. The identity of the premises and period for which paid; and
- 29 4. The signature and title of the person receiving the rent.

30 (b) [~~Where a tenant~~] A lessee may request, in writing, [~~requests~~] that
31 a [~~landlord~~] lessor provide a receipt for rent paid by personal check[~~, it shall be the duty of~~]. If such request is made, the [~~landlord to~~
32 lessor, or any agent of the lessor authorized to receive rent, shall
33 provide the [~~payer~~] lessee with the receipt described in subdivision (a)
34 of this section [~~for each such request made in writing~~]. Such request
35 shall, unless otherwise specified by the lessee, remain in effect for
36 the duration of such lessee's tenancy. The lessor shall maintain a
37 record of all cash receipts for rent for at least three years.

39 (c) If a payment of rent is personally transmitted to a lessor, or an
40 agent of a lessor authorized to receive rent, the receipt for such
41 payment shall be issued immediately to a lessee. If a payment of rent is
42 transmitted indirectly to a lessor, or an agent of a lessor authorized
43 to receive rent, a lessee shall be provided with a receipt within
44 fifteen days of such lessor or agent's receipt of a rent payment.

45 (d) If a lessor, or an agent of a lessor authorized to receive rent,
46 fails to receive payment for rent within five days of the date specified
47 in a lease agreement, such lessor or agent shall send the lessee, by
48 certified mail, a written notice stating the failure to receive such
49 rent payment. The failure of a lessor, or any agent of the lessor
50 authorized to receive rent, to provide a lessee with a written notice of
51 the non-payment of rent may be used as an affirmative defense by such
52 lessee in an eviction proceeding based on the non-payment of rent.

53 § 10. The real property law is amended by adding a new section 238-a
54 to read as follows:

55 § 238-a. Limitation on fees. In relation to a residential dwelling
56 unit:

1 1. (a) Except in instances where statutes or regulations provide for a
2 payment, fee or charge, no landlord, lessor, sub-lessor or grantor may
3 demand any payment, fee, or charge for the processing, review or accept-
4 ance of an application, or demand any other payment, fee or charge
5 before or at the beginning of the tenancy, except background checks and
6 credit checks as provided by paragraph (b) of this subdivision, provided
7 that this subdivision shall not apply to entrance fees charged by
8 continuing care retirement communities licensed pursuant to article
9 forty-six or forty-six-A of the public health law, assisted living
10 providers licensed pursuant to article forty-six-B of the public health
11 law, adult care facilities licensed pursuant to article seven of the
12 social services law, senior residential communities that have submitted
13 an offering plan to the attorney general, or not-for-profit independent
14 retirement communities that offer personal emergency response, house-
15 keeping, transportation and meals to their residents.

16 (b) A landlord, lessor, sub-lessor or grantor may charge a fee or fees
17 to reimburse costs associated with conducting a background check and
18 credit check, provided the cumulative fee or fees for such checks is no
19 more than the actual cost of the background check and credit check or
20 twenty dollars, whichever is less, and the landlord, lessor, sub-lessor
21 or grantor shall waive the fee or fees if the potential tenant provides
22 a copy of a background check or credit check conducted within the past
23 thirty days. The landlord, lessor, sub-lessor or grantor may not collect
24 the fee or fees unless the landlord, lessor, sub-lessor or grantor
25 provides the potential tenant with a copy of the background check or
26 credit check and the receipt or invoice from the entity conducting the
27 background check or credit check.

28 2. No landlord, lessor, sub-lessor or grantor may demand any payment,
29 fee, or charge for the late payment of rent unless the payment of rent
30 has not been made within five days of the date it was due, and such
31 payment, fee, or charge shall not exceed fifty dollars or five percent
32 of the monthly rent, whichever is less.

33 3. Any provision of a lease or contract waiving or limiting the
34 provisions of this section shall be void as against public policy.

35 § 11. The real property actions and proceedings law is amended by
36 adding a new section 702 to read as follows:

37 § 702. Rent in a residential dwelling. In a proceeding relating to a
38 residential dwelling or housing accommodation, the term "rent" shall
39 mean the monthly or weekly amount charged in consideration for the use
40 and occupation of a dwelling pursuant to a written or oral rental agree-
41 ment. No fees, charges or penalties other than rent may be sought in a
42 summary proceeding pursuant to this article, notwithstanding any
43 language to the contrary in any lease or rental agreement.

44 § 12. The opening paragraph and subdivision 2 of section 711 of the
45 real property actions and proceedings law, the opening paragraph as
46 amended by chapter 739 of the laws of 1982 and subdivision 2 as added by
47 chapter 312 of the laws of 1962, are amended to read as follows:

48 A tenant shall include an occupant of one or more rooms in a rooming
49 house or a resident, not including a transient occupant, of one or more
50 rooms in a hotel who has been in possession for thirty consecutive days
51 or longer[~~er~~]. No tenant or lawful occupant of a dwelling or housing
52 accommodation shall [~~not~~] be removed from possession except in a special
53 proceeding. A special proceeding may be maintained under this article
54 upon the following grounds:

55 2. The tenant has defaulted in the payment of rent, pursuant to the
56 agreement under which the premises are held, and a written demand of the

rent has been made[~~, or~~ with at least [~~three~~ fourteen days' notice [~~in writing~~] requiring, in the alternative, the payment of the rent, or the possession of the premises, has been served upon him as prescribed in section [~~735. The landlord may waive his right to proceed upon this ground only by an express consent in writing to permit the tenant to continue in possession, which consent shall be revocable at will, in which event the landlord shall be deemed to have waived his right to summary dispossession for nonpayment of rent accruing during the time said consent remains unrevoked~~] seven hundred thirty-five of this article.

Any person succeeding to the landlord's interest in the premises may proceed under this subdivision for rent due his predecessor in interest if he has a right thereto. Where a tenant dies during the term of the lease and rent due has not been paid and [~~no representative or person has taken possession of the premises and no administrator or executor has been appointed, the proceeding may be commenced after three months from the date of death of the tenant by joining the surviving spouse or if there is none, then one of the surviving issue or if there is none, then any one of the distributees~~] the apartment is occupied by a person with a claim to possession, a proceeding may be commenced naming the occupants of the apartment seeking a possessory judgment only as against the estate. Entry of such a judgment shall be without prejudice to the possessory claims of the occupants, and any warrant issued shall not be effective as against the occupants.

§ 13. Section 731 of the real property actions and proceedings law is amended by adding a new subdivision 4 to read as follows:

4. In an action premised on a tenant defaulting in the payment of rent, payment to the landlord of the full amount of rent due, when such payment is made at any time prior to the hearing on the petition, shall be accepted by the landlord and renders moot the grounds on which the special proceeding was commenced.

§ 14. Subdivisions 1, 2, and 3 of section 732 of the real property actions and proceedings law, as added by chapter 910 of the laws of 1965, are amended to read as follows:

1. The notice of petition shall be returnable before the clerk, and shall be made returnable within [~~five~~ ten days after its service.

2. If the respondent answers, the clerk shall fix a date for trial or hearing not less than three nor more than eight days after joinder of issue, and shall immediately notify by mail the parties or their attorneys of such date. If the determination be for the petitioner, the issuance of a warrant shall not be stayed for more than five days from such determination, except as provided in section seven hundred fifty-three of this article.

3. If the respondent fails to answer within [~~five~~ ten days from the date of service, as shown by the affidavit or certificate of service of the notice of petition and petition, the judge shall render judgment in favor of the petitioner and may stay the issuance of the warrant for a period of not to exceed ten days from the date of service, except as provided in section seven hundred fifty-three of this article.

§ 15. Subdivision 1 of section 733 of the real property actions and proceedings law, as amended by chapter 910 of the laws of 1965, is amended to read as follows:

1. Except as provided in section [~~732~~ seven hundred thirty-two of this article], relating to a proceeding for non-payment of rent, the notice of petition and petition shall be served at least [~~five~~ ten and not more than [~~twelve~~ seventeen days before the time at which the petition is noticed to be heard.

§ 16. Section 743 of the real property actions and proceedings law, as amended by chapter 644 of the laws of 2003, is amended to read as follows:

§ 743. Answer. Except as provided in section ~~[732]~~ seven hundred thirty-two of this article, relating to a proceeding for non-payment of rent, at the time when the petition is to be heard the respondent, or any person in possession or claiming possession of the premises, may answer, orally or in writing. If the answer is oral the substance thereof shall be recorded by the clerk or, if a particular court has no clerk, by the presiding judge or justice of such court, and maintained in the case record. ~~[If the notice of petition was served at least eight days before the time at which it was noticed to be heard and it so demands, the answer shall be made at least three days before the time the petition is noticed to be heard and, if in writing, it shall be served within such time, whereupon any reply shall be served at least one day before such time.]~~ The answer may contain any legal or equitable defense, or counterclaim. The court may render affirmative judgment for the amount found due on the counterclaim.

§ 17. Subdivisions 1 and 2 of section 745 of the real property actions and proceedings law, as amended by chapter 403 of the laws of 1983, subdivision 2 as amended by chapter 116 of the laws of 1997, subparagraph (i) of paragraph (b) as amended by chapter 601 of the laws of 2007, are amended to read as follows:

1. Where triable issues of fact are raised, they shall be tried by the court unless, at the time the petition is noticed to be heard, a party demands a trial by jury, in which case trial shall be by jury. At the time when issue is joined the court, ~~[in its discretion]~~ at the request of either party ~~[and upon proof to its satisfaction by affidavit or orally that an adjournment is necessary to enable the applicant to procure his necessary witnesses, or by consent of all the parties who appear, may]~~ shall adjourn the trial of the issue, ~~[but]~~ not ~~[more]~~ less than ~~[ten]~~ fourteen days, except by consent of all parties. A party's second or subsequent request for adjournment shall be granted in the court's sole discretion.

2. In the city of New York:

(a) In a summary proceeding upon the second of two adjournments granted solely at the request of the respondent, or, upon the ~~[thirtieth]~~ sixtieth day after the first appearance of the parties in court less any days that the proceeding has been adjourned upon the request of the petitioner, counting only days attributable to adjournment requests made solely at the request of the respondent and not counting an initial adjournment requested by a respondent unrepresented by counsel for the purpose of securing counsel, whichever occurs sooner, the court ~~[shall]~~ may, upon consideration of the equities, direct that the respondent, upon ~~[an application]~~ a motion on notice made by the petitioner, deposit with the court ~~[within five days]~~ sums of rent or use and occupancy ~~[accrued from the date the petition and notice of petition are served upon the respondent, and all sums as they become due for rent and use and occupancy]~~ that shall accrue subsequent to the date of the court's order, which may be established without the use of expert testimony~~[, unless]~~. The court shall not order deposit or payment of use and occupancy where the respondent can establish~~[, at an immediate hearing]~~, to the satisfaction of the court that respondent has properly interposed one of the following defenses or established the following grounds:

(i) the petitioner is not a proper party to the proceeding pursuant to section seven hundred twenty-one of this article; or

(ii) (A) actual eviction, or (B) actual partial eviction, or (C) constructive eviction; and respondent has quit the premises; or

(iii) a defense pursuant to section one hundred forty-three-b of the social services law; or

(iv) a defense based upon the existence of hazardous or immediately hazardous violations of the housing maintenance code in the subject apartment or common areas; or

(v) a colorable defense of rent overcharge; or

(vi) a defense that the unit is in violation of the building's certificate of occupancy or is otherwise illegal under the multiple dwelling law or the New York city housing maintenance code; or

(vii) the court lacks personal jurisdiction over the respondent.

~~[When the rental unit that is the subject of the petition is located in a building containing twelve or fewer units, the court shall inquire of the respondent as to whether there is any undisputed amount of the rent or use and occupancy due to the petitioner. Any such undisputed amount shall be paid directly to the petitioner, and any disputed amount shall be deposited to the court by the respondent as provided in this subdivision.]~~

Two adjournments shall not include an adjournment requested by a respondent unrepresented by counsel for the purpose of securing counsel made on a return date of the proceeding. Such rent or use and occupancy sums shall be deposited with the clerk of the court or paid to such other person or entity, including the petitioner or an agent designated by the division of housing and community renewal, as the court shall direct or shall be expended for such emergency repairs as the court shall approve.

(b) In establishing the monthly amount to be deposited, the court shall not exceed the amount of the regulated rent for the unit under any state, local or federal regulatory scheme, or the amount of the tenant's rent share under a state, local or federal subsidy program, or the amount of the tenant's share under an expired subsidy, unless the tenant has entered into an enforceable new agreement to pay the full lease rent.

(c) (i) The court shall not require the respondent to deposit the portion of rent or use and occupancy, if any, which is payable by direct government housing subsidy, any currently effective senior citizen increase exemption authorized pursuant to sections four hundred sixty-seven-b and four hundred sixty-seven-c of the real property tax law, direct payment of rent or a two-party check issued by a social services district or the office of temporary and disability assistance, or rental assistance that is payable pursuant to court orders issued in litigation commenced in nineteen hundred eighty-seven in a proceeding in which the amount of shelter allowance is at issue on behalf of recipients of family assistance. In the event the respondent or other adult member of the respondent's household receives public assistance pursuant to title three or title ten of article five of the social services law, the respondent shall, when directed by the court to deposit rent and use or occupancy, only be required to deposit with the court the amount of the shelter allowance portion of the public assistance grant issued by the office of temporary and disability assistance or a social services district. In the event the respondent receives a fixed income, including but not limited to, social security income, supplemental security income pursuant to title sixteen of the federal social security act and title six of article five of the social services law, or pension income, the respondent shall ~~[only]~~ not be required to deposit ~~[one-third]~~ more than

1 thirty percent of the monthly [~~supplemental security income payment~~]
2 payments.

3 (ii) Any sum required to be deposited with the court pursuant to this
4 subdivision shall be offset by payment, if any, made by the respondent
5 pursuant to section two hundred thirty-five-a of the real property law
6 or section three hundred two-c of the multiple dwelling law.

7 [~~(e) (i) If the respondent shall fail to comply with the court's~~
8 ~~directions with respect to direct payment to the petitioner or making a~~
9 ~~deposit as directed by the court of the full amount of the rent or use~~
10 ~~and occupancy required to be deposited, the court upon an application by~~
11 ~~the petitioner shall dismiss without prejudice the defenses and counter-~~
12 ~~claims interposed by the respondent and grant judgment for petitioner~~
13 ~~unless respondent has interposed the defense of payment and shows that~~
14 ~~the amount required to be deposited has previously been paid to the~~
15 ~~petitioner.~~

16 ~~(ii)]~~ (d) (i) In the event that the respondent [~~makes a deposit~~
17 ~~required by this subdivision but~~] fails to deposit with the court or
18 pay, as the case may be, upon the due date, all rent or use and occupan-
19 cy which may become due [~~up to the time of the entry of judgment~~] subse-
20 quent to the issuance of the court's deposit order, the court upon an
21 application of the petitioner [~~shall~~] may order an immediate trial of
22 the issues raised in the respondent's answer. An "immediate trial" shall
23 mean that no further adjournments of the proceeding [~~without petitioner~~
24 ~~consent~~] upon respondent's sole request shall be granted, the case shall
25 be assigned by the administrative judge to a trial ready part and such
26 trial shall commence as soon as practicable and continue day to day
27 until completed. [~~There shall be no stay granted of such trial without~~
28 ~~an order to respondent to pay rent or use and occupancy due pursuant to~~
29 ~~this subdivision and rent or use and occupancy as it becomes due.~~

30 ~~(iii)]~~ (ii) The court [~~shall not~~] may extend any time provided for
31 such deposit under this subdivision [~~without the consent of the peti-~~
32 ~~tioner~~] for good cause shown.

33 [~~(iv)]~~ (iii) Upon the entry of the final judgment in the proceeding
34 such deposits shall be credited against any judgment amount awarded and,
35 without further order of the court, be paid in accordance with the judg-
36 ment.

37 [~~(v) The provisions of this paragraph requiring the deposit of rent or~~
38 ~~use and occupancy as it becomes due shall not be waived by the court.~~

39 (d) (e) The court may dismiss any summary proceeding without preju-
40 dice and with costs to the respondent by reason of excessive adjourn-
41 ments requested by the petitioner.

42 [~~(e) The provisions of this subdivision shall not be construed as to~~
43 ~~deprive a respondent of a trial of any defenses or counterclaims in a~~
44 ~~separate action if such defenses or counterclaims are dismissed without~~
45 ~~prejudice.~~]

46 (f) Under no circumstances shall the respondent's failure or inability
47 to pay use and occupancy as ordered by the court constitute a basis to
48 dismiss any of the respondent's defenses or counterclaims, with or with-
49 out prejudice to their assertion in another forum.

50 § 18. Section 747-a of the real property actions and proceedings law
51 is REPEALED.

52 § 19. Section 749 of the real property actions and proceedings law, as
53 added by chapter 312 of the laws of 1962, subdivision 2 as amended by
54 chapter 205 of the laws of 2018 and subdivision 3 as amended by chapter
55 192 of the laws of 1975, is amended to read as follows:

§ 749. Warrant. 1. Upon rendering a final judgment for petitioner, the court shall issue a warrant directed to the sheriff of the county or to any constable or marshal of the city in which the property, or a portion thereof, is situated, or, if it is not situated in a city, to any constable of any town in the county, describing the property, stating the earliest date upon which execution may occur pursuant to the order of the court, and commanding the officer to remove all persons~~[, and, except where the case is within section 715, to put the petitioner into full possession]~~ named in the proceeding, provided upon a showing of good cause, the court may issue a stay of re-letting or renovation of the premises for a reasonable period of time.

2. (a) The officer to whom the warrant is directed and delivered shall give at least ~~[seventy-two hours]~~ fourteen days' notice, ~~[excluding any period which occurs on a Saturday, Sunday or a public holiday,]~~ in writing and in the manner prescribed in this article for the service of a notice of petition, to the person or persons to be evicted or dispossessed and shall execute the warrant on a business day between the hours of sunrise and sunset.

(b) Such officer shall check such property for the presence of a companion animal prior to executing such warrant and coordinate with such person or persons to be evicted or dispossessed to provide for the safe and proper care of such companion animal or animals. If such persons to be evicted or dispossessed cannot be found after reasonable efforts are made to coordinate with such persons, or if such person is found and declines to take possession of such animal or animals, such officer shall promptly coordinate with the duly incorporated humane society, duly incorporated society for the prevention of cruelty to animals or pound maintained by or under contract or agreement with the municipality in which the animal was found for the safe removal of such companion animal or animals. Such officer shall make reasonable efforts to provide notice to the person or persons to be evicted regarding the location of such companion animal or animals. Disposition of such companion animal or animals shall be in accordance with the provisions of sections one hundred seventeen and three hundred seventy-four of the agriculture and markets law, and all other laws, rules and regulations that govern the humane treatment of animals. "Companion animal," as used in this paragraph, shall have the same meaning as provided in subdivision five of section three hundred fifty of the agriculture and markets law.

3. ~~[The issuing of a warrant for the removal of a tenant cancels the agreement under which the person removed held the premises, and annuls the relation of landlord and tenant, but nothing]~~ Nothing contained herein shall deprive the court of the power to stay or vacate such warrant for good cause shown prior to the execution thereof, or to restore the tenant to possession subsequent to execution of the warrant. In a judgment for non-payment of rent, the court shall vacate a warrant upon tender or deposit with the court of the full rent due at any time prior to its execution, unless the petitioner establishes that the tenant withheld the rent due in bad faith. Petitioner may recover by action any sum of money which was payable at the time when the special proceeding was commenced and the reasonable value of the use and occupation to the time when the warrant was issued, for any period of time with respect to which the agreement does not make any provision for payment of rent.

§ 20. Subdivision 4 of section 751 of the real property actions and proceedings law is REPEALED.

§ 21. Section 753 of the real property actions and proceedings law, as added by chapter 312 of the laws of 1962, the section heading as amended, subdivision 4 as added and subdivision 5 as renumbered by chapter 870 of the laws of 1982 and subdivision 1 as amended by chapter 305 of the laws of 1963, is amended to read as follows:

§ 753. Stay [~~where tenant holds over~~] in premises occupied for dwelling purposes [~~in city of New York~~]. 1. In a proceeding to recover the possession of premises [~~in the city of New York~~] occupied for dwelling purposes, other than a room or rooms in an hotel, lodging house, or rooming house, [~~upon the ground that the occupant is holding over and continuing in possession of the premises after the expiration of his term and without the permission of the landlord, or, in a case where a new lessee is entitled to possession, without the permission of the new lessee,~~] the court, on application of the occupant, may stay the issuance of a warrant and also stay any execution to collect the costs of the proceeding for a period of not more than [~~six months~~] one year, if it appears that the premises are used for dwelling purposes; that the application is made in good faith; that the applicant cannot within the neighborhood secure suitable premises similar to those occupied by [~~him~~] the applicant and that [~~he~~] the applicant made due and reasonable efforts to secure such other premises, or that by reason of other facts it would occasion extreme hardship to [~~him or his~~] the applicant or the applicant's family if the stay were not granted. In determining whether refusal to grant a stay would occasion extreme hardship, the court shall consider serious ill health, significant exacerbation of an ongoing condition, a child's enrollment in a local school, and any other extenuating life circumstances affecting the ability of the applicant or the applicant's family to relocate and maintain quality of life. The court shall consider any substantial hardship the stay may impose on the landlord in determining whether to grant the stay or in setting the length or other terms of the stay. In an application brought outside a city of one million or more, the term "neighborhood" shall be construed to mean (i) the same town, village or city where the applicant now resides, or (ii) if the applicant has school aged children residing with him or her, "neighborhood" shall mean the school district where such children attend or are eligible to attend.

2. Such stay shall be granted and continue effective only upon the condition that the person against whom the judgment is entered shall make a deposit in court of the entire amount, or such installments thereof from time to time as the court may direct, for the occupation of the premises for the period of the stay, at the rate for which [~~he~~] the applicant was liable as rent for the month immediately prior to the expiration of [~~his~~] the applicant's term or [~~tenency~~] tenancy, plus such additional amount, if any, as the court may determine to be the difference between such rent and the reasonable rent or value of the use and occupation of the premises; such deposit [~~shall~~] may also include all rent unpaid by the occupant prior to the period of the stay. The amount of such deposit shall be determined by the court upon the application for the stay and such determination shall be final and conclusive in respect to the amount of such deposit, and the amount thereof shall be paid into court, in such manner and in such installments, if any, as the court may direct. A separate account shall be kept of the amount to the credit of each proceeding, and all such payments shall be deposited in a bank or trust company and shall be subject to the check of the clerk of the court, if there be one, or otherwise of the court. The clerk of the court, if there be one, and otherwise the court shall pay to the land-

1 lord or [~~his~~] the landlord's duly authorized agent, the amount of such
2 deposit in accordance with the terms of the stay or the further order of
3 the court.

4 3. The provisions of this section shall not apply to a proceeding
5 [~~where the petitioner shows to the satisfaction of the court that he~~
6 ~~desires in good faith to recover the premises for the purpose of demol-~~
7 ~~ishing same with the intention of constructing a new building, plans for~~
8 ~~which new building shall have been duly filed and approved by the proper~~
9 ~~authority, nor shall it apply to a proceeding~~] to recover possession
10 upon the ground that an occupant is holding over and is objectionable if
11 the landlord shall establish by competent evidence to the satisfaction
12 of the court that such occupant is objectionable.

13 4. In the event that such proceeding is based upon a claim that the
14 tenant or lessee has breached a provision of the lease, the court shall
15 grant a [~~ten~~] thirty day stay of issuance of the warrant, during which
16 time the respondent may correct such breach.

17 5. Any provision of a lease or other agreement whereby a lessee or
18 tenant waives any provision of this section shall be deemed against
19 public policy and void.

20 § 22. Section 756 of the real property actions and proceedings law, as
21 added by chapter 913 of the laws of 1965, is amended to read as follows:

22 § 756. Stay of summary proceedings or actions for rent under certain
23 conditions. In the event that utilities are discontinued in any part of
24 a [~~multiple~~] dwelling because of the failure of the landlord or other
25 person having control of said [~~multiple~~] dwelling to pay for utilities
26 for which he may have contracted, any proceeding to dispossess a tenant
27 from said building or an action against any tenant of said building for
28 rent shall be stayed until such time as the landlord or person having
29 control of said [~~multiple~~] dwelling pays the amount owing for said util-
30 ities and until such time as the utilities are restored to working
31 order.

32 § 23. The real property actions and proceedings law is amended by
33 adding a new section 757 to read as follows:

34 § 757. Eviction as the result of foreclosure. In the event that a
35 lessee is removed from real property pursuant to this article, and the
36 leased real property was the subject of a foreclosure proceeding pursu-
37 ant to this chapter or the subject of a tax foreclosure proceeding, the
38 court records relating to any such lessee shall be sealed and be deemed
39 confidential. No disclosure or use of such information relating to any
40 such lessee shall be authorized, and the use of such information shall
41 be prohibited.

42 § 24. The real property actions and proceedings law is amended by
43 adding a new section 768 to read as follows:

44 § 768. Unlawful eviction. 1. (a) It shall be unlawful for any person
45 to evict or attempt to evict an occupant of a dwelling unit who has
46 lawfully occupied the dwelling unit for thirty consecutive days or long-
47 er or who has entered into a lease with respect to such dwelling except
48 to the extent permitted by law pursuant to a warrant of eviction or
49 other order of a court of competent jurisdiction or a governmental
50 vacate order by:

51 (i) using or threatening the use of force to induce the occupant to
52 vacate the dwelling unit; or

53 (ii) engaging in a course of conduct which interferes with or is
54 intended to interfere with or disturb the comfort, repose, peace or
55 quiet of such occupant in the use or occupancy of the dwelling unit, to

1 induce the occupant to vacate the dwelling unit including, but not
2 limited to, the interruption or discontinuance of essential services; or
3 (iii) engaging or threatening to engage in any other conduct which
4 prevents or is intended to prevent such occupant from the lawful occu-
5 pancy of such dwelling unit or to induce the occupant to vacate the
6 dwelling unit including, but not limited to, removing the occupant's
7 possessions from the dwelling unit, removing the door at the entrance to
8 the dwelling unit; removing, plugging or otherwise rendering the lock on
9 such entrance door inoperable, or changing the lock on such entrance
10 door without supplying the occupant with a key.

11 (b) It shall be unlawful for an owner of a dwelling unit to fail to
12 take all reasonable and necessary action to restore to occupancy an
13 occupant of a dwelling unit who either vacates, has been removed from or
14 is otherwise prevented from occupying a dwelling unit as the result of
15 any of the acts or omissions prescribed in paragraph (a) of this subdi-
16 vision and to provide to such occupant a dwelling unit within such
17 dwelling suitable for occupancy, after being requested to do so by such
18 occupant or the representative of such occupant, if such owner either
19 committed such unlawful acts or omissions or knew or had reason to know
20 of such unlawful acts or omissions, or if such acts or omissions
21 occurred within seven days prior to such request.

22 2. Criminal and civil penalties. (a) Any person who intentionally
23 violates or assists in the violation of any of the provisions of this
24 section shall be guilty of a class A misdemeanor. Each such violation
25 shall be a separate and distinct offense.

26 (b) Such person shall also be subject to a civil penalty of not less
27 than one thousand nor more than ten thousand dollars for each violation.
28 Each such violation shall be a separate and distinct offense. In the
29 case of a failure to take all reasonable and necessary action to restore
30 an occupant pursuant to paragraph (b) of subdivision one of this
31 section, such person shall be subject to an additional civil penalty of
32 not more than one hundred dollars per day from the date on which resto-
33 ration to occupancy is requested until the date on which restoration
34 occurs, provided, however, that such period shall not exceed six months.

35 § 25. The section heading and subdivision 1 of section 7-108 of the
36 general obligations law, as added by chapter 917 of the laws of 1984,
37 are amended and a new subdivision 1-a is added to read as follows:

38 ~~[Liability of a grantee or assignee for deposits]~~ Deposits made by
39 tenants ~~[upon conveyance]~~ of non-rent stabilized dwelling units. 1. This
40 section shall apply to all dwelling units ~~[with written leases]~~ in resi-
41 dential premises ~~[containing six or more dwelling units and to all~~
42 ~~dwelling units subject to the city rent and rehabilitation law or the~~
43 ~~emergency housing rent control law]~~, unless such dwelling unit is
44 specifically referred to in section 7-107 of this ~~[chapter]~~ title.

45 1-a. Except in dwelling units subject to the city rent and rehabili-
46 tation law or the emergency housing rent control law, continuing care
47 retirement communities licensed pursuant to article forty-six or forty-
48 six-A of the public health law, assisted living providers licensed
49 pursuant to article forty-six-B of the public health law, adult care
50 facilities licensed pursuant to article seven of the social services
51 law, senior residential communities that have submitted an offering plan
52 to the attorney general, or not-for-profit independent retirement commu-
53 nities that offer personal emergency response, housekeeping, transporta-
54 tion and meals to their residents:

55 (a) No deposit or advance shall exceed the amount of one month's rent
56 under such contract.

1 **(b) The entire amount of the deposit or advance shall be refundable to**
2 **the tenant upon the tenant's vacating of the premises except for an**
3 **amount lawfully retained for the reasonable and itemized costs due to**
4 **non-payment of rent, damage caused by the tenant beyond normal wear and**
5 **tear, non-payment of utility charges payable directly to the landlord**
6 **under the terms of the lease or tenancy, and moving and storage of the**
7 **tenant's belongings. The landlord may not retain any amount of the**
8 **deposit for costs relating to ordinary wear and tear of occupancy or**
9 **damage caused by a prior tenant.**

10 **(c) After initial lease signing but before the tenant begins occupan-**
11 **cy, the landlord shall offer the tenant the opportunity to inspect the**
12 **premises with the landlord or the landlord's agent to determine the**
13 **condition of the property. If the tenant requests such inspection, the**
14 **parties shall execute a written agreement before the tenant begins occu-**
15 **pancy of the unit attesting to the condition of the property and specif-**
16 **ically noting any existing defects or damages. Upon the tenant's vacat-**
17 **ing of the premises, the landlord may not retain any amount of the**
18 **deposit or advance due to any condition, defect, or damage noted in such**
19 **agreement. The agreement shall be admissible as evidence of the condi-**
20 **tion of the premises at the beginning of occupancy only in proceedings**
21 **related to the return or amount of the security deposit.**

22 **(d) Within a reasonable time after notification of either party's**
23 **intention to terminate the tenancy, unless the tenant terminates the**
24 **tenancy with less than two weeks' notice, the landlord shall notify the**
25 **tenant in writing of the tenant's right to request an inspection before**
26 **vacating the premises and of the tenant's right to be present at the**
27 **inspection. If the tenant requests such an inspection, the inspection**
28 **shall be made no earlier than two weeks and no later than one week**
29 **before the end of the tenancy. The landlord shall provide at least**
30 **forty-eight hours written notice of the date and time of the inspection.**
31 **After the inspection, the landlord shall provide the tenant with an**
32 **itemized statement specifying repairs or cleaning that are proposed to**
33 **be the basis of any deductions from the tenant's deposit. The tenant**
34 **shall have the opportunity to cure any such condition before the end of**
35 **the tenancy. Any statement produced pursuant to this paragraph shall**
36 **only be admissible in proceedings related to the return or amount of the**
37 **security deposit.**

38 **(e) Within fourteen days after the tenant has vacated the premises,**
39 **the landlord shall provide the tenant with an itemized statement indi-**
40 **cating the basis for the amount of the deposit retained, if any, and**
41 **shall return any remaining portion of the deposit to the tenant. If a**
42 **landlord fails to provide the tenant with the statement and deposit**
43 **within fourteen days, the landlord shall forfeit any right to retain any**
44 **portion of the deposit.**

45 **(f) In any action or proceeding disputing the amount of any amount of**
46 **the deposit retained, the landlord shall bear the burden of proof as to**
47 **the reasonableness of the amount retained.**

48 **(g) Any person who violates the provisions of this subdivision shall**
49 **be liable for actual damages, provided a person found to have willfully**
50 **violated this subdivision shall be liable for punitive damages of up to**
51 **twice the amount of the deposit or advance.**

52 § 26. Subdivision 1 of section 212 of the judiciary law is amended by
53 adding a new paragraph (x) to read as follows:

54 **(x) Not permit the unified court system to sell any data regarding**
55 **judicial proceedings related to residential tenancy, rent or eviction to**
56 **any third party. Such prohibition includes data collected, stored or**

1 utilized by any third-party vendors who have contracts with the unified
2 court system.

3 § 27. 1. (a) There is hereby created a temporary commission to be
4 known as the "New York state temporary commission on housing security
5 and tenant protection," which shall be charged with studying the impacts
6 of the statewide housing security and tenant protection act of 2019 on
7 tenants, landlords, and the court system, and recommending the implemen-
8 tation of legislation, regulations and rules to further improve tenant
9 protections in New York.

10 (b) The commission shall consist of ten members: (i) the commissioner
11 of housing and community renewal shall serve ex officio; (ii) three
12 members shall be appointed by the governor, one of whom shall be an
13 attorney with significant housing court experience employed by a not-
14 for-profit legal services firm, one of whom shall be a landlord, and one
15 of whom shall be a retired judge or justice of the unified court system
16 with significant experience in housing court; (iii) two members shall be
17 appointed by the temporary president of the senate; (iv) one member
18 shall be appointed by the minority leader of the senate; (v) two members
19 shall be appointed by the speaker of the assembly; and (vi) one member
20 shall be appointed by the minority leader of the assembly. The commis-
21 sioner of housing and community renewal shall serve as the chair of the
22 commission. Vacancies in the commission shall be filled in the same
23 manner as the members whose vacancy is being filled was appointed.

24 (c) The members of the commission shall receive no compensation for
25 their services as members, but shall be allowed their actual and neces-
26 sary expenses incurred in the performance of their duties. No member of
27 the commission shall be disqualified from holding any other public
28 office or employment, nor shall he or she forfeit any such office or
29 employment by reason of his or her appointment pursuant to this section,
30 notwithstanding the provisions of any general, special or local law,
31 regulation, ordinance or city charter.

32 2. To the maximum extent feasible, the commission shall be entitled to
33 request and receive and shall utilize and be provided with such facili-
34 ties, resources and data of any department, division, board, bureau,
35 committee, agency or public authority of the state or any political
36 subdivision thereof as it may reasonably request to properly carry out
37 its powers and duties pursuant to this act.

38 3. On or before December 31, 2022, the commission shall transmit to
39 the governor, the legislature, and the chief administrator of the courts
40 a report containing its findings and recommendations. The commissioner
41 of housing and community renewal shall post the report on its website.
42 Upon the making of its report, the commission shall be deemed dissolved.

43 § 28. Severability. If any provision of this act, or any application
44 of any provision of this act, is held to be invalid, that shall not
45 affect the validity or effectiveness of any other provision of this act,
46 or of any other application of any provision of this act, which can be
47 given effect without that provision or application; and to that end, the
48 provisions and applications of this act are severable.

49 § 29. This act shall take effect immediately and shall apply to
50 actions and proceedings commenced on or after such effective date;
51 provided, however, that sections three, six and seven shall take effect
52 on the one hundred twentieth day after this act shall have become a law;
53 provided, further, that section twenty-five of this act shall take
54 effect on the thirtieth day after this act shall have become a law and
55 shall apply to any lease or rental agreement or renewal of a lease or
56 rental agreement entered into on or after such date; and, provided,

1 further, section five of this act shall take effect on the thirtieth day
2 after this act shall have become a law.

3 PART N

4 Section 1. Section 352-eeee of the general business law, as added by
5 chapter 555 of the laws of 1982, subdivision 3 as amended by chapter 685
6 of the laws of 1988, is amended to read as follows:

7 § 352-eeee. Conversions to cooperative or condominium ownership in the
8 city of New York. 1. As used in this section, the following words and
9 terms shall have the following meanings:

10 (a) "Plan". Every offering statement or prospectus submitted to the
11 department of law pursuant to section three hundred fifty-two-e of this
12 article for the conversion of a building or group of buildings or devel-
13 opment from residential rental status to cooperative or condominium
14 ownership or other form of cooperative interest in realty, other than an
15 offering statement or prospectus for such conversion pursuant to article
16 two, eight or eleven of the private housing finance law.

17 (b) "Non-eviction plan". A plan which may not be declared effective
18 until written purchase agreements have been executed and delivered for
19 at least [~~fifteen~~] fifty-one percent of all dwelling units in the build-
20 ing or group of buildings or development by bona fide tenants [~~in occu-
21 pancy or bona fide purchasers who represent that they intend that they
22 or one or more members of their immediate family intend to occupy the
23 unit when it becomes vacant. As to tenants~~] who were in occupancy on the
24 date a letter was issued by the attorney general accepting the plan for
25 filing[, ~~the~~]. The purchase agreement shall be executed and delivered
26 pursuant to an offering made in good faith without fraud and discrimina-
27 tory repurchase agreements or other discriminatory inducements.

28 (c) "Eviction plan". A plan which, submitted prior to the effective
29 date of the chapter of the laws of two thousand nineteen that amended
30 this section, pursuant to the provisions of this section, can result in
31 the eviction of a non-purchasing tenant by reason of the tenant failing
32 to purchase pursuant thereto, and which may not be declared effective
33 until at least fifty-one percent of the bona fide tenants in occupancy
34 of all dwelling units in the building or group of buildings or develop-
35 ment on the date the offering statement or prospectus was accepted for
36 filing by the attorney general (excluding, for the purposes of determin-
37 ing the number of bona fide tenants in occupancy on such date, eligible
38 senior citizens and eligible disabled persons) shall have executed and
39 delivered written agreements to purchase under the plan pursuant to an
40 offering made in good faith without fraud and with no discriminatory
41 repurchase agreements or other discriminatory inducements.

42 (d) "Purchaser under the plan". A person who owns the shares allocated
43 to a dwelling unit or who owns such dwelling unit itself.

44 (e) "Non-purchasing tenant". A person who has not purchased under the
45 plan and who is a tenant entitled to possession at the time the plan is
46 declared effective or a person to whom a dwelling unit is rented subse-
47 quent to the effective date. A person who sublets a dwelling unit from
48 a purchaser under the plan shall not be deemed a non-purchasing tenant.

49 (f) "Eligible senior citizens". Non-purchasing tenants who are sixty-
50 two years of age or older on the date the plan is submitted to the
51 department of law or on the date the attorney general has accepted the
52 plan for filing, and the spouses of any such tenants on such date, and
53 who have elected, within sixty days of the date the plan is submitted to
54 the department of law or on the date the attorney general has accepted

1 the plan for filing, on forms promulgated by the attorney general and
2 presented to such tenants by the offeror, to become non-purchasing
3 tenants under the provisions of this section; provided that such
4 election shall not preclude any such tenant from subsequently purchasing
5 the dwelling unit on the terms then offered to tenants in occupancy.

6 (g) "Eligible disabled persons". Non-purchasing tenants who have an
7 impairment which results from anatomical, physiological or psychological
8 conditions, other than addiction to alcohol, gambling, or any controlled
9 substance, which are demonstrable by medically acceptable clinical and
10 laboratory diagnostic techniques, and which are expected to be permanent
11 and which prevent the tenant from engaging in any substantial gainful
12 employment on the date the plan is submitted to the department of law or
13 on the date the attorney general has accepted the plan for filing, and
14 the spouses of any such tenants on such date, and who have elected,
15 within sixty days of the date the plan is submitted to the department of
16 law or on the date the attorney general has accepted the plan for
17 filing, on forms promulgated by the attorney general and presented to
18 such tenants by the offeror, to become non-purchasing tenants under the
19 provisions of this section; provided, however, that if the disability
20 first occurs after acceptance of the plan for filing, then such election
21 may be made within sixty days following the onset of such disability
22 unless during the period subsequent to sixty days following the accept-
23 ance of the plan for filing but prior to such election, the offeror
24 accepts a written agreement to purchase the apartment from a bona fide
25 purchaser; and provided further that such election shall not preclude
26 any such tenant from subsequently purchasing the dwelling unit or the
27 shares allocated thereto on the terms then offered to tenants in occu-
28 pancy.

29 2. The attorney general shall refuse to issue a letter stating that
30 the offering statement or prospectus required in subdivision one of
31 section three hundred fifty-two-e of this [~~chapter~~] article has been
32 filed whenever it appears that the offering statement or prospectus
33 offers for sale residential cooperative apartments or condominium units
34 pursuant to a plan unless:

35 (a) The plan provides that it will be deemed abandoned, void and of no
36 effect if it does not become effective within fifteen months from the
37 date of issue of the letter of the attorney general stating that the
38 offering statement or prospectus has been accepted for filing and, in
39 the event of such abandonment, no new plan for the conversion of such
40 building or group of buildings or development shall be submitted to the
41 attorney general for at least twelve months after such abandonment.

42 (b) The plan provides either that it is an eviction plan or that it is
43 a non-eviction plan.

44 (c) The plan provides, if it is a non-eviction plan, as follows:

45 (i) The plan may not be declared effective until written purchase
46 agreements have been executed and delivered for at least [~~fifteen~~]
47 fifty-one percent of all dwelling units in the building or group of
48 buildings or development subscribed for by bona fide tenants in occupan-
49 cy [~~or bona fide purchasers who represent that they intend that they or~~
50 ~~one or more members of their immediate family occupy the dwelling unit~~
51 ~~when it becomes vacant. As to tenants who were in occupancy]~~ on the date
52 a letter was issued by the attorney general accepting the plan for
53 filing[, ~~the~~] for which purchase agreement shall be executed and deliv-
54 ered pursuant to an offering made without discriminatory repurchase
55 agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or [condominium] condominium ownership shall continue to be subject thereto.

~~(iv)~~ (viii) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan

1 has been accepted for filing by the attorney general shall not be
2 subject to unconscionable increases beyond ordinary rentals for compara-
3 ble apartments during the period of their occupancy. In determining
4 comparability, consideration shall be given to such factors as building
5 services, level of maintenance and operating expenses.

6 ~~[(v)]~~ (ix) The plan may not be amended at any time to provide that it
7 shall be an eviction plan.

8 ~~[(vi)]~~ (x) The rights granted under the plan to purchasers under the
9 plan and to non-purchasing tenants may not be abrogated or reduced
10 notwithstanding any expiration of, or amendment to, this section.

11 ~~[(vii)]~~ (xi) After the issuance of the letter from the attorney gener-
12 al stating that the offering statement or prospectus required in subdi-
13 vision one of section three hundred fifty-two-e of this article has been
14 ~~[filed]~~ accepted for filing, the offeror shall, on the thirtieth, sixti-
15 eth, eighty-eighth and ninetieth day after such date and at least once
16 every thirty days until the plan is declared effective or ~~[is]~~ aban-
17 doned, as the case may be, and on the second day before the expiration
18 of any exclusive purchase period provided in a substantial amendment to
19 the plan, (1) file with the attorney general a written statement, under
20 oath, setting forth the percentage of ~~[the]~~ bona fide tenants in occu-
21 pancy of all dwelling units in the building or group of buildings or
22 development ~~[subscribed for by bona fide tenants in occupancy or bona~~
23 ~~fide purchasers who represent that they intend that they or one or more~~
24 ~~members of their immediate family occupy the dwelling unit when it~~
25 ~~becomes vacant as of the date of such statement and]~~ on the date the
26 offering statement or prospectus was accepted for filing by the attorney
27 general who have executed and delivered written agreements to purchase
28 under the plan as of the date of such statement, and (2) before noon on
29 the day such statement is filed post a copy of such statement in a prom-
30 inent place accessible to all tenants in each building covered by the
31 plan.

32 (xii) The tenants in occupancy on the date the attorney general
33 accepts the plan for filing shall have the exclusive right to purchase
34 their dwelling units or the shares allocated thereto for ninety days
35 after the plan is accepted for filing by the attorney general, during
36 which time a tenant's dwelling unit shall not be shown to a third party
37 unless he or she has, in writing, waived his or her right to purchase;
38 subsequent to the expiration of such ninety day period, a tenant in
39 occupancy of a dwelling unit who has not purchased shall be given the
40 exclusive right for an additional period of six months from said expira-
41 tion date to purchase said dwelling unit or the shares allocated thereto
42 on the same terms and conditions as are contained in an executed
43 contract to purchase said dwelling unit or shares entered into by a bona
44 fide purchaser, such exclusive right to be exercisable within fifteen
45 days from the date of mailing by registered mail of notice of the
46 execution of a contract of sale together with a copy of said executed
47 contract to said tenant.

48 (d) The plan provides, if it is an eviction plan, as follows:

49 (i) The plan may not be declared effective unless at least fifty-one
50 percent of the bona fide tenants in occupancy of all dwelling units in
51 the building or group of buildings or development on the date the offer-
52 ing statement or prospectus was accepted for filing by the attorney
53 general (excluding, for the purposes of determining the number of bona
54 fide tenants in occupancy on such date, eligible senior citizens and
55 eligible disabled persons) shall have executed and delivered written
56 agreements to purchase under the plan pursuant to an offering made in

1 good faith without fraud and with no discriminatory repurchase agree-
2 ments or other discriminatory inducements.

3 (ii) No eviction proceedings will be commenced against a non-purchas-
4 ing tenant for failure to purchase or any other reason applicable to
5 expiration of tenancy until the later to occur of (1) the date which is
6 the expiration date provided in such non-purchasing tenant's lease or
7 rental agreement, and (2) the date which is three years after the date
8 on which the plan is declared effective. Non-purchasing tenants who
9 reside in dwelling units subject to government regulation as to rentals
10 and continued occupancy prior to conversion shall continue to be subject
11 thereto during the period of occupancy provided in this paragraph.
12 Thereafter, if a tenant has not purchased, he may be removed by the
13 owner of the dwelling unit or the shares allocated to such dwelling
14 unit.

15 (iii) No eviction proceedings will be commenced, except as hereinafter
16 provided, at any time against either eligible senior citizens or eligi-
17 ble disabled persons. The rentals of eligible senior citizens and eligi-
18 ble disabled persons who reside in dwelling units not subject to govern-
19 ment regulation as to rentals and continued occupancy and eligible
20 senior citizens and eligible disabled persons who reside in dwelling
21 units with respect to which government regulation as to rentals and
22 continued occupancy is eliminated or becomes inapplicable after the plan
23 has been accepted for filing shall not be subject to unconscionable
24 increases beyond ordinary rentals for comparable apartments during the
25 period of their occupancy considering, in determining comparability,
26 such factors as building services, level of maintenance and operating
27 expenses; provided that such proceedings may be commenced against such
28 tenants for non-payment of rent, illegal use or occupancy of the prem-
29 ises, refusal of reasonable access to the owner or a similar breach by
30 the tenant of his obligations to the owner of the dwelling unit or the
31 shares allocated thereto.

32 (iv) Eligible senior citizens and eligible disabled persons who reside
33 in dwelling units subject to government regulation as to rentals and
34 continued occupancy shall continue to be subject thereto.

35 (v) The rights granted under the plan to eligible senior citizens and
36 eligible disabled persons may not be abrogated or reduced notwithstand-
37 ing any expiration of, or amendment to, this section.

38 (vi) Any offeror who disputes the election by a person to be an eligi-
39 ble senior citizen or an eligible disabled person must apply to the
40 attorney general within thirty days of the receipt of the election forms
41 for a determination by the attorney general of such person's eligibil-
42 ity. The attorney general shall, within thirty days thereafter, issue
43 his determination of eligibility. The foregoing shall, in the absence of
44 fraud, be the sole method for determining a dispute as to whether a
45 person is an eligible senior citizen or an eligible disabled person. The
46 determination of the attorney general shall be reviewable only through a
47 proceeding under article seventy-eight of the civil practice law and
48 rules, which proceeding must be commenced within thirty days after such
49 determination by the attorney general becomes final.

50 (vii) After the issuance of the letter from the attorney general stat-
51 ing that the offering statement or prospectus required in subdivision
52 one of section three hundred fifty-two-e of this article has been
53 accepted for filing, the offeror shall, on the thirtieth, sixtieth,
54 eighty-eighth and ninetieth ~~days~~ day after such date and at least once
55 every thirty days until the plan is declared effective or abandoned, as
56 the case may be, and on the second day before the expiration of any

1 exclusive purchase period provided in a substantial amendment to the
2 plan, (1) file with the attorney general a written statement, under
3 oath, setting forth the percentage of bona fide tenants in occupancy of
4 all dwelling units in the building or group of buildings or development
5 on the date the offering statement or prospectus was accepted for filing
6 by the attorney general who have executed and delivered written agree-
7 ments to purchase under the plan as of the date of such statement, and
8 (2) before noon on the day such statement is filed post a copy of such
9 statement in a prominent place accessible to all tenants in each build-
10 ing covered by the plan.

11 (viii) If the plan is amended before it is declared effective to
12 provide that it shall be a non-eviction plan, any person who has agreed
13 to purchase under the plan prior to such amendment shall have a period
14 of thirty days after receiving written notice of such amendment to
15 revoke his agreement to purchase under the plan.

16 (ix) The tenants in occupancy on the date the attorney general accepts
17 the plan for filing shall have the exclusive right to purchase their
18 dwelling units or the shares allocated thereto for ninety days after the
19 plan is accepted for filing by the attorney general, during which time a
20 tenant's dwelling unit shall not be shown to a third party unless he
21 has, in writing, waived his right to purchase; subsequent to the expira-
22 tion of such ninety day period, a tenant in occupancy of a dwelling unit
23 who has not purchased shall be given the exclusive right for an addi-
24 tional period of six months from said expiration date to purchase said
25 dwelling unit or the shares allocated thereto on the same terms and
26 conditions as are contained in an executed contract to purchase said
27 dwelling unit or shares entered into by a bona fide purchaser, such
28 exclusive right to be exercisable within fifteen days from the date of
29 mailing by registered mail of notice of the execution of a contract of
30 sale together with a copy of said executed contract to said tenant.

31 (e) The attorney general finds that an excessive number of long-term
32 vacancies did not exist on the date that the offering statement or pros-
33 pectus was first submitted to the department of law. "Long-term vacan-
34 cies" shall mean dwelling units not leased or occupied by bona fide
35 tenants for more than five months prior to the date of such submission
36 to the department of law. "Excessive" shall mean a vacancy rate in
37 excess of the greater of (i) ten percent and (ii) a percentage that is
38 double the normal average vacancy rate for the building or group of
39 buildings or development for two years prior to the January preceding
40 the date the offering statement or prospectus was first submitted to the
41 department of law.

42 (f) The attorney general finds that, following the submission of the
43 offering statement or prospectus to the department of law, each tenant
44 in the building or group of buildings or development was provided with a
45 written notice stating that such offering statement or prospectus has
46 been submitted to the department of law for filing. Such notice shall be
47 accompanied by a copy of the offering statement or prospectus and a
48 statement that the statements submitted pursuant to subparagraph ~~[(vii)]~~
49 [(xi)] of paragraph (c) ~~[or subparagraph (vii) of paragraph (d)]~~ of this
50 subdivision, whichever is applicable, will be available for inspection
51 and copying at the office of the department of law where the submission
52 was made and at the office of the offeror or a selling agent of the
53 offeror. Such notice shall also be accompanied by a statement that
54 tenants or their representatives may physically inspect the premises at
55 any time subsequent to the submission of the plan to the department of
56 law, during normal business hours, upon written request made by them to

1 the offeror, provided such representatives are registered architects or
2 professional engineers licensed to practice in the state of New York.
3 Such notice shall be sent to each tenant in occupancy on the date the
4 plan is first submitted to the department of law.

5 3. All dwelling units occupied by non-purchasing tenants shall be
6 managed by the same managing agent who manages all other dwelling units
7 in the building or group of buildings or development. Such managing
8 agent shall provide to non-purchasing tenants all services and facili-
9 ties required by law on a non-discriminatory basis. The offeror shall
10 guarantee the obligation of the managing agent to provide all such
11 services and facilities until such time as the offeror surrenders
12 control to the board of directors or board of managers, at which time
13 the cooperative corporation or the condominium association shall assume
14 responsibility for the provision of all services and facilities required
15 by law on a non-discriminatory basis.

16 4. It shall be unlawful for any person to engage in any course of
17 conduct, including, but not limited to, interruption or discontinuance
18 of essential services, which substantially interferes with or disturbs
19 the comfort, repose, peace or quiet of any tenant in his use or occupan-
20 cy of his dwelling unit or the facilities related thereto. The attorney
21 general may apply to a court of competent jurisdiction for an order
22 restraining such conduct and, if he deems it appropriate, an order
23 restraining the owner from selling the shares allocated to the dwelling
24 unit or the dwelling unit itself or from proceeding with the plan of
25 conversion; provided that nothing contained herein shall be deemed to
26 preclude the tenant from applying on his own behalf for similar relief.

27 5. Any local legislative body may adopt local laws and any agency,
28 officer or public body may prescribe rules and regulations with respect
29 to the continued occupancy by tenants of dwelling units which are
30 subject to regulation as to rentals and continued occupancy pursuant to
31 law, provided that in the event that any such local law, rule or regu-
32 lation shall be inconsistent with the provisions of this section, the
33 provisions of this section shall control.

34 6. Any provision of a lease or other rental agreement which purports
35 to waive a tenant's rights under this section or rules and regulations
36 promulgated pursuant hereto shall be void as contrary to public policy.

37 7. The attorney general is hereby authorized and empowered to adopt,
38 promulgate, amend and rescind suitable rules and regulations to carry
39 out the provisions of this section, including issuing waivers of the
40 requirements of this section to the extent the requirements would not
41 carry out the intent of this section or the Martin Act.

42 8. The provisions of this section shall only be applicable in the city
43 of New York.

44 § 2. This act shall take effect immediately and shall only apply to
45 plans submitted pursuant to section 352-eeee of the general business law
46 after the effective date of this act.

47 PART O

48 Section 1. Legislative findings. The legislature finds and declares
49 that:

50 a. Manufactured homes are a critical source of affordable housing for
51 residents in New York state.

52 b. Factors unique to home ownership in manufactured home parks in New
53 York state require that the owners of such manufactured homes be

1 protected from involuntary forfeiture of their homes due to unreasonable
2 increases in lot rent.

3 c. Homeownership in such manufactured home parks differs from other
4 forms of homeownership as well as from the traditional landlord-tenant
5 relationship. Unlike other homeowners, because the manufactured homeown-
6 ers do not control the land on which their manufactured homes exist,
7 they have no control over this substantial portion of their housing
8 costs.

9 d. Vacancies in existing manufactured home parks are extremely rare in
10 New York state, and the cost of relocating a manufactured home, even if
11 such a vacancy exists, is prohibitively high and may not be feasible due
12 to the structural integrity of the home.

13 e. The manufactured homeowners' lack of bargaining power disrupts the
14 normal operation of market forces and renders such manufactured homeown-
15 ers captive to whatever terms a manufactured home park owner may choose
16 to impose. This results in manufactured homeowners being evicted because
17 of manufactured home parks' rents they can no longer afford, and as a
18 result, losing their manufactured home and the equity they have built
19 altogether because there is not an alternative site on which to place
20 such home.

21 f. Under current law, manufactured homeowners who rent in manufactured
22 home parks have no legal remedy for an unjustifiable and unreasonable
23 rent increase.

24 g. The legislature therefore declares that in order to prevent hard-
25 ship, unjustifiable rent increases, loss of equity, and the dislocation
26 of residents living in manufactured home parks, the provisions of this
27 act are necessary to protect the safety and general welfare of manufac-
28 tured home owners and tenants.

29 § 2. Subdivision a of section 233 of the real property law is amended
30 by adding two new paragraphs 6 and 7 to read as follows:

31 6. The term "rent-to-own contract" shall mean any agreement between a
32 manufactured home park owner or operator and a manufactured home renter
33 which provides that after a specified term or other contingency the
34 manufactured home renter will take ownership of the rented home.

35 7. The term "rent-to-own payment" shall mean any payment or payments
36 made by a manufactured home renter pursuant to a rent-to-own contract
37 which are in addition to rental payments for the rented site and the
38 rented home.

39 § 3. Paragraphs 1 and 6 of subdivision b of section 233 of the real
40 property law, paragraph 1 as amended by chapter 566 of the laws of 1996
41 and paragraph 6 as amended by chapter 561 of the laws of 2008, are
42 amended to read as follows:

43 ~~[1. The manufactured home tenant continues in possession of any~~
44 ~~portion of the premises after the expiration of his term without the~~
45 ~~permission of the manufactured home park owner or operator.]~~

46 6. (i) The manufactured home park owner or operator proposes a change
47 in the use of the land comprising the manufactured home park, or a
48 portion thereof, on which the manufactured home is located, from manu-
49 factured home lot rentals to some other use, provided the manufactured
50 home owner is given written notice of the proposed change of use and the
51 manufactured home owner's need to secure other accommodations. Whenever
52 a manufactured home park owner or operator gives a notice of proposed
53 change of use to any manufactured home owner, the manufactured home park
54 owner or operator shall, at the same time, give notice of the proposed
55 change of use to all other manufactured home owners or tenants in the
56 manufactured home park who will be required to secure other accommo-

1 dations as a result of such proposed change of use. Eviction
2 proceedings based on a change in use shall not be commenced prior to
3 [~~six months~~] two years from the service of notice of proposed change in
4 use [~~or the end of the lease term, whichever is later~~]. Such notice
5 shall be served in the manner prescribed in section seven hundred thir-
6 ty-five of the real property actions and proceedings law or by certified
7 mail, return receipt requested.

8 (ii) Where a purchaser of a manufactured home park certified that such
9 purchaser did not intend to change the use of the land pursuant to para-
10 graph (b) of subdivision two of section two hundred thirty-three-a of
11 this article, no eviction proceedings based on a change of use shall be
12 commenced until the expiration of sixty months from the date of the
13 closing on the sale of the park.

14 (iii) (A) The manufactured home park owner or operator shall provide
15 the manufactured home owner a stipend of up to fifteen thousand dollars
16 per manufactured home owner, pursuant to a court order. A warrant for
17 eviction cannot be executed until the stipend has been paid to the manu-
18 factured home owner being evicted.

19 (B) The court shall calculate the stipend based upon consideration of
20 the following factors:

21 (1) The cost of relocation of the manufactured home;

22 (2) The number of manufactured homes in the same park that would be
23 receiving a stipend;

24 (3) The amount the real property is being purchased for;

25 (4) The value of the real property the manufactured home is located
26 on;

27 (5) The value of the development rights attached to real property
28 parcel the manufactured home is located on; and

29 (6) Any other factors the court determines are relevant in each case.

30 (C) In the event the manufactured home owner is not removed and the
31 eviction proceeding is terminated the manufactured home owner shall
32 return the stipend to the park owner. The weight to be afforded to each
33 of the various factors is within the discretion of the trial court.

34 § 4. Subdivision e of section 233 of the real property law, as amended
35 by chapter 566 of the laws of 1996, is amended to read as follows:

36 e. Leases. 1. The manufactured home park owner or operator shall offer
37 every manufactured home tenant prior to occupancy, the opportunity to
38 sign a lease for a minimum of one year, which offer shall be made in
39 writing. All lease offers, including initial and renewal leases, shall
40 include a rider regarding tenant rights. Such rider shall be in a form
41 approved or promulgated by the commissioner of housing and community
42 renewal and which shall be made available to manufactured home park
43 owners and operators.

44 2. (i) On or before, as appropriate, (a) the first day of October of
45 each calendar year with respect to a manufactured home owner [~~then in~~
46 ~~good standing~~] who is not currently a party to a written lease with a
47 manufactured home park owner or operator or (b) the ninetieth day next
48 preceding the expiration date of any existing written lease between a
49 manufactured home owner [~~then in good standing~~] and a manufactured home
50 park owner or operator, the manufactured home park owner or operator
51 shall submit to each such manufactured home owner a written offer to
52 lease for a term of at least twelve months from the commencement date
53 thereof unless the manufactured home park owner or operator has previ-
54 ously furnished the manufactured home owner with written notification of
55 a proposed change of use pursuant to paragraph six of subdivision b of
56 this section. Any such offer shall include a copy of the proposed lease

1 containing such terms and conditions, including provisions for rent and
2 other charges, as the manufactured home park owner shall deem appropri-
3 ate; provided such terms and conditions are consistent with all rules
4 and regulations promulgated by the manufactured home park operator prior
5 to the date of the offer and are not otherwise prohibited or limited by
6 applicable law. Such offer shall also contain a statement advising the
7 manufactured home owner that if he or she fails to execute and return
8 the lease to the manufactured home park owner or operator within thirty
9 days after submission of such lease, the manufactured home owner shall
10 be deemed to have declined the offer of a lease and shall not have any
11 right to a lease from the manufactured home park owner or operator for
12 the next succeeding twelve months.

13 ~~[(ii) For purposes of this paragraph, a manufactured home owner shall~~
14 ~~be deemed in good standing if he or she is not in default in the payment~~
15 ~~of more than one month's rent to the manufactured home park owner, and~~
16 ~~is not in violation of paragraph three, four or five of subdivision b of~~
17 ~~this section. No manufactured home park owner or operator shall refuse~~
18 ~~to provide a written offer to lease based on a default of rent payments~~
19 ~~or a violation of paragraph three, four or five of subdivision b of this~~
20 ~~section unless, at least thirty days prior to the last date on which the~~
21 ~~owner or operator would otherwise be required to provide such written~~
22 ~~offer to lease, the owner or operator notifies the manufactured home~~
23 ~~owner, in writing, of the default in rent or the specific grounds~~
24 ~~constituting the violation and such grounds continues up and until the~~
25 ~~fifth calendar day immediately preceding the last date on which the~~
26 ~~written offer would otherwise be required to be made.~~

27 ~~[(iii)]~~ (ii) For purposes of this paragraph, the commencement date of
28 any lease offered by the manufactured home park owner to the manufac-
29 tured home owner shall be the ninetieth day after the date upon which
30 the manufactured home park owner shall have provided the offer required
31 pursuant to this paragraph; provided, however, that no such lease shall
32 be effective if, on such commencement date, the manufactured home owner
33 is in default of more than one month's rent. In the event the manufac-
34 tured home owner shall have failed to execute and return said lease to
35 the manufactured home park owner or operator within thirty days after it
36 is submitted to the manufactured home owner as required by subparagraph
37 (i) of this paragraph the manufactured home owner shall be deemed to
38 have declined to enter said lease.

39 3. No lease provision shall be inconsistent with any rule or regu-
40 lation in effect at the commencement of the lease.

41 4. If a manufactured home park owner or operator fails to offer a
42 tenant a lease as provided in this subdivision, the tenant shall have
43 all the rights of a leaseholder and may not be evicted for other than
44 the reasons specified in paragraph two, three, four, five or six of
45 subdivision (b) of this section.

46 5. All rent increases, including all fees, rents, charges, assessments
47 and utilities, shall be subject and pursuant to section two hundred
48 thirty-three-b of this article.

49 § 5. Paragraphs 2 and 3 of subdivision g of section 233 of the real
50 property law, as amended by chapter 566 of the laws of 1996, are amended
51 to read as follows:

52 2. A manufactured home park owner or operator shall be required to
53 fully disclose in writing all fees, charges, assessments, including
54 rental fees, rules and regulations prior to ~~[a manufactured home tenant~~
55 ~~assuming occupancy]~~ entering into a rental agreement with a prospective
56 tenant in the manufactured home park.

3. No fees, charges, assessments or rental fees may be increased by manufactured home park owner or operator without specifying the date of implementation of said fees, charges, assessments or rental fees which date shall be no less than ninety days after written notice to all manufactured home tenants. Failure on the part of the manufactured home park owner or operator to fully disclose all fees, charges or assessments shall prevent the manufactured home park owner or operator from collecting said fees, charges or assessments, and refusal by the manufactured home tenant to pay any undisclosed charges shall not be used by the manufactured home park owner or operator as a cause for eviction in any court of law. Rent, utilities and charges for facilities and services available to the tenant may not be increased unless a lease has been offered to the tenant as required by subdivision e of this section.

§ 6. Subdivision m of section 233 of the real property law, as amended by chapter 566 of the laws of 1996, is amended to read as follows:

m. Warranty of habitability, maintenance, disruption of services. In every written or oral lease or rental agreement entered into by a manufactured home tenant, the manufactured home park owner or operator shall be deemed to covenant and warrant that the premises so leased or rented and the manufactured home if rented, including rental through a rent-to-own contract, and all areas used in connection therewith in common with other manufactured home tenants or residents including all roads within the manufactured home park are fit for human habitation and for the uses reasonably intended by the parties and that the occupants of such premises and such manufactured homes if rented shall not be subjected to any conditions which would be dangerous, hazardous or detrimental to their life, health or safety. When any such condition has been caused by the misconduct of the manufactured home tenant or lessee or persons under his direction or control, it shall not constitute a breach of such covenants and warranties. The rights and obligations of the manufactured home park owner or operator and the manufactured home tenant shall be governed by the provisions of this subdivision and subdivisions two and three of section two hundred thirty-five-b of this article.

§ 7. Subdivision o of section 233 of the real property law, as amended by chapter 566 of the laws of 1996, is amended to read as follows:

o. Whenever a lease shall provide that in any action or summary proceeding the manufactured home park owner or operator may recover attorney's fees and/or expenses [~~incurred as the result of the failure of the tenant to perform any covenant or agreement contained in such lease, or that amounts paid by the manufactured home park owner or operator therefor shall be paid by the tenant as additional rent~~] awarded by a court, there shall be implied in such lease a covenant by the manufactured home park owner or operator, to pay to the tenant the reasonable attorney's fees and/or expenses incurred by the tenant to the same extent as is provided in section two hundred thirty-four of this article which section shall apply in its entirety. A manufactured home park owner or operator may not demand that a tenant pays attorneys' fees unless such fees have been awarded pursuant to a court order.

§ 8. Subdivision r of section 233 of the real property law, as amended by chapter 566 of the laws of 1996, is amended to read as follows:

r. Limitation on late charges. A late charge on any rental payment by a manufactured home owner which has become due and remains unpaid shall not exceed and shall be enforced to the extent of [~~five~~] three percent of such delinquent payment; provided, however, that no charge shall be imposed on any rental payment by a manufactured home owner received within ten days after the due date. In the absence of a specific

1 provision in the lease or the manufactured home park's rules and regu-
2 lations, no late charge on any delinquent rental payment shall be
3 assessed or collected. Late charges may not be compounded and shall not
4 be considered additional rent.

5 § 9. Section 233 of the real property law is amended by adding a new
6 subdivision y to read as follows:

7 y. 1. No manufactured home park owner or operator shall offer or
8 execute a rent-to-own contract unless the manufactured park owner or
9 operator possesses documentation of ownership of the manufactured home,
10 including a certificate of title to the home, if the home is a manufac-
11 tured home subject to being titled pursuant to article forty-six of the
12 vehicle and traffic law, or for mobile homes not subject to being titled
13 pursuant to such law, such other documentation, which may include a bill
14 of sale, or deed, sufficient to establish ownership.

15 2. Every rent-to-own contract shall be in writing and clearly state
16 all terms, including but not limited to: a description of the home to be
17 leased, including the name of the manufacturer, the serial number and
18 the year of manufacture; the site number upon which the home is located
19 in the manufactured home park; an itemized statement of any payments to
20 be made during the term of the contract, including the initial lot rent,
21 the rental amount for the home, and the amount of the rent-to-own
22 payments; the term of the agreement; the number of payments, itemized,
23 required to be made over the term of the agreement; the annual percent-
24 age rate of the amount financed, if applicable; and the amount of any
25 additional fees to be paid during the term. A rent-to-own contract shall
26 not require a manufactured home tenant to pay any additional fees for
27 transfer of ownership at the end of the lease period. A rent-to-own
28 contract shall provide that where the rent-to-own tenant pays all rent-
29 to-own payments and other fees established in the contract during the
30 lease term, title transferred at the end of the lease term shall be free
31 of superior interests, liens or encumbrances.

32 3. Valuations used to determine the fair market value of the manufac-
33 tured home at the time the rent-to-own contract is entered into, shall
34 be based on the information provided by an independent system, entity,
35 publication or publications that provide valuation information for manu-
36 factured homes adjusted, as appropriate, by reasonable and identifiable
37 regional market data, such as location, park-specific amenities, trends
38 and comparable sales.

39 4. Every rent-to-own contract shall clearly state that the manufac-
40 tured home tenant is occupying a rented home, until ownership is trans-
41 ferred, and that the manufactured home park owner and operator shall be
42 responsible for compliance with the warranty of habitability, including
43 but not limited to all major repairs and capital improvements.

44 5. With the execution of every rent-to-own contract, the manufactured
45 home park owner or operator shall offer the manufactured home tenant a
46 lease for the site on which the home is located as provided in subdivi-
47 sion f of this section, and, if the term of the rent-to-own contract is
48 longer than the term of the initial site lease, shall offer renewal
49 leases on the same terms as provided to manufactured home tenants within
50 the park pursuant to subdivision e of this section, provided that such
51 renewal lease may not include a rent increase greater than that imposed
52 on similarly situated manufactured home tenants that own their home
53 within the park.

54 6. The manufactured home park owner or operator shall provide each
55 manufactured home tenant who is a party to a rent-to-own contract an
56 itemized accounting listing all payments made pursuant to the rent-to-

1 own contract. Such accounting shall be provided no less than once each
2 year, beginning one year from the execution of the rent-to-own contract.
3 Upon request by a manufactured home tenant, the manufactured home park
4 owner or operator shall provide such an accounting within ten days of
5 such request.

6 7. Any successor to ownership of the manufactured home park shall be
7 bound by the terms of a rent-to-own contract entered into after the
8 effective date of this subdivision.

9 8. If a manufactured home tenant's tenancy is terminated by the manu-
10 factured home park owner or operator during the term of a rent-to-own
11 contract, all rent-to-own payments made during the term of the contract
12 shall be refunded to the manufactured home tenant; if a manufactured
13 home park owner or operator fails to refund such payments, in an
14 eviction proceeding, the court may award the manufactured home renter
15 damages in the amount of the rent-to-own payments which have not been
16 refunded.

17 9. It is a violation of this section for a manufactured home park
18 owner or operator to make any material misrepresentation, either written
19 or oral, regarding any of the terms of a rent-to-own contract, or to
20 obtain, or attempt to obtain, a waiver from any manufactured home renter
21 of any protection or right provided under this subdivision.

22 10. (i) If a manufactured home park owner or operator violates the
23 provisions of this subdivision or wrongfully evicts a manufactured home
24 tenant who is a party to a rent-to-own contract, a court may award
25 damages including treble the economic damages suffered by the manufac-
26 tured home tenant, which may include all rent-to-own payments. The court
27 may also provide for reasonable attorney fees and costs of litigation,
28 and other equitable relief.

29 (ii) Failure of the manufactured home park owner or operator to comply
30 with this section shall give the manufactured home renter the uncondi-
31 tional right to cancel the rent-to-own contract and receive immediate
32 refund of all payments and deposits made on account of or in contem-
33 plation of the lease with the rent-to-own contract.

34 11. The provisions of this section apply to rent-to-own contracts and
35 tenants with rent-to-own contracts.

36 § 10. Paragraphs (a) and (c) of subdivision 2 of section 233-a of the
37 real property law, as added by chapter 561 of the laws of 2008, are
38 amended to read as follows:

39 (a) If a manufactured home park owner receives a bona fide offer to
40 purchase a manufactured home park that such manufactured home park owner
41 intends to accept, or respond with a counteroffer, such manufactured
42 home park owner shall require the prospective purchaser to provide, in
43 writing, the certification required by paragraph (b) of this subdivi-
44 sion, and shall not accept any offer to purchase, nor respond with a
45 counteroffer until such manufactured home park owner has received such
46 certification and met the requirements of this section.

47 (c) If a manufactured home park owner takes any action to market or
48 offer the park for sale, or receives a bona fide offer to purchase a
49 manufactured home park that such manufactured home park owner intends to
50 accept or respond to with a counteroffer, [~~such counteroffer~~] a manufac-
51 tured home park owner shall include a notice stating that such accept-
52 ance or counteroffer shall be subject to the right of the homeowners of
53 the manufactured home park to purchase the manufactured home park pursu-
54 ant to this subdivision. Notwithstanding any provision of law or agree-
55 ment to the contrary, every [~~acceptance of a counteroffer~~] agreement to
56 purchase a manufactured home park by a prospective purchaser of a manu-

1 factured home park shall be [~~deemed to be~~] subject to the right of the
2 homeowners of the manufactured home park to purchase the manufactured
3 home park pursuant to this subdivision if the purchaser certifies pursu-
4 ant to paragraph (b) of this subdivision that he or she intends to
5 change the use of the land.

6 § 11. The first subdivision 3 of section 233-a of the real property
7 law, as added by chapter 561 of the laws of 2008, is amended to read as
8 follows:

9 3. (a) If a manufactured home park owner receives a bona fide offer to
10 purchase a manufactured home park that such manufactured home park owner
11 intends to accept or respond to with a counteroffer, and the purchaser
12 has certified pursuant to paragraph (b) of subdivision two of this
13 section that he intends to change the use of the land, such manufactured
14 home park owner shall notify:

15 (i) the officers of the manufactured homeowners' association within
16 such park of [~~the offer to purchase and~~] all the terms thereof; provided
17 that the park owner has been notified of the establishment of a manufac-
18 tured homeowners' association and been provided with the names and
19 addresses of the officers of such association; or

20 (ii) if no homeowners' association exists, all manufactured homeowners
21 in the manufactured home park; and

22 (iii) the commissioner of housing and community renewal.

23 (b) The manufactured home park owner's notification shall state:

24 (i) the price [~~and~~];

25 (ii) the material terms and conditions of sale [~~or, in the case where~~
26 ~~such manufactured home park owner intends to make a counteroffer, the~~
27 ~~price and material terms and conditions~~] upon which such manufactured
28 home park owner would sell the park;

29 (iii) that the manufactured homeowners have the right to organize a
30 manufactured homeowners' association or a manufactured homeowners' coop-
31 erative for the park;

32 (iv) that purchase financing may be available through the New York
33 state homes and community renewal; and

34 (v) that the manufactured homeowners' association, a cooperative, or
35 manufactured home owners or tenants have one hundred forty days to exer-
36 cise their right to purchase the park in accordance with this section.

37 (c) (i) If a manufactured homeowners' association exists at the time
38 of the offer, the association shall have the right to purchase the park;
39 provided that the association shall have delivered to the manufactured
40 home park owner an executed offer to purchase which meets the identical
41 price, terms, and conditions of the offer or counteroffer provided in
42 the notice of the manufactured home park owner within one hundred [~~twen-~~
43 ~~ty~~] forty days of receipt of notice from the manufactured home park
44 owner, unless otherwise agreed to in writing. During this time period,
45 the park owner shall not accept a final unconditional offer to purchase
46 the park.

47 (ii) If an offer to purchase by the association is not delivered with-
48 in such one hundred [~~twenty~~] forty day period, then, unless the park
49 owner thereafter elects to offer to sell the park at a price lower than
50 the price specified in the notice to the homeowners' association or at
51 terms substantially different from those presented to the association,
52 the park owner has no further obligations under this section.

53 (iii) If the park owner, after such one hundred [~~twenty~~] forty day
54 period, elects to offer to sell the park at a price lower than the price
55 specified in the notice given or at terms substantially different from
56 those previously presented to the association, then the association

1 shall be entitled to notice thereof and shall have an additional [~~ten~~
2 thirty days after receipt of notice of the revised terms to deliver to
3 the park owner an executed offer to purchase which meets the revised
4 price, terms, and conditions as presented by the park owner.

5 (d) (i) If there is no existing homeowners' association at the time of
6 the offer, the homeowners shall have the right to purchase the park;
7 provided the following conditions are met:

8 (A) The manufactured homeowners shall have the right to form a manu-
9 factured homeowners' association, whether incorporated or not.

10 (B) Such homeowners' association shall include at least fifty-one
11 percent of all manufactured homeowners, who shall have given written
12 consent to forming a manufactured homeowners' association. The
13 provisions of section two hundred twenty-three-b of this article shall
14 apply to the formation of a manufactured homeowners' association.

15 (C) The association, acting through its officers, shall have given
16 notice to the park owner of its formation, the names and addresses of
17 its officers, and delivered an executed offer to purchase the park at
18 the identical price, terms, and conditions of the offer presented in the
19 notification given by the park owner within one hundred [~~twenty~~] forty
20 days of receipt of notice from the park owner, unless otherwise agreed
21 to in writing. During this time period, the park owner shall not accept
22 a final unconditional offer to purchase the park.

23 (ii) If the homeowners fail to form a manufactured homeowners' associ-
24 ation, or if upon the formation of a manufactured homeowners' associ-
25 ation, the association does not deliver an executed offer to purchase as
26 set forth in paragraph (a) of this subdivision within the one hundred
27 [~~twenty~~] forty day period, then, unless the park owner elects to offer
28 the park at a price lower than the price specified in the notice previ-
29 ously presented to the homeowners, the park owner has no further obli-
30 gation under this section; and

31 (iii) If the park owner thereafter elects to sell the park at a price
32 lower than the price specified in the notice to the homeowners or at
33 terms substantially different from those previously presented, then the
34 association shall have an additional [~~ten~~] thirty days after receipt of
35 notice of the revised terms to deliver to the park owner an executed
36 offer to purchase which meets the revised price, terms, and conditions
37 as presented by the park owner.

38 § 12. The real property law is amended by adding a new section 233-b
39 to read as follows:

40 § 233-b. Manufactured home parks; rent increases. 1. The provisions of
41 this section shall apply to all manufactured homes located in a manufac-
42 tured home park as defined in section two hundred thirty-three of this
43 article, however manufactured homes located in manufactured home parks
44 that are subject to a regulatory agreement with a governmental entity to
45 preserve affordable housing or that otherwise limits rent increases are
46 exempt from the provisions of this section.

47 2. Increases in rent shall not exceed a three percent increase above
48 the rent since the current rent became effective. In this section, rent
49 shall mean all costs, including all rent, fees, charges, assessments,
50 and utilities. Notwithstanding the above, a manufactured home park owner
51 is permitted to increase the rent in excess of three percent above the
52 rent since the current rent became effective, due to:

53 (a) Increases in the manufactured home park owner's operating
54 expenses.

55 (b) Increases in the manufactured home park owner's property taxes on
56 such park.

1 (c) Increases in costs which are directly related to capital improve-
2 ments in the park.

3 3. An increase above three percent may be challenged by an aggrieved
4 manufactured homeowner as unjustified. Multiple aggrieved manufactured
5 homeowners may join in the same action where there is a common question
6 of law and fact.

7 4. Within ninety days of the proposed increase, an aggrieved manufac-
8 tured homeowner may challenge such increase by filing an action in the
9 court of appropriate subject matter jurisdiction where the real property
10 is located seeking a declaratory judgment that the rent increase is
11 unjustifiable.

12 5. In any proceeding under this section there shall be an irrebuttable
13 presumption that a rent increase is justifiable when the amount of such
14 increase does not exceed the tenant's pro-rata share in operating costs
15 and property taxes for the manufactured home park in which the manufac-
16 tured home owner resides.

17 6. (a) In determining whether a rent increase is permissible, the
18 court shall consider the provisions of paragraphs (a), (b) and (c) of
19 subdivision two of this section. Notwithstanding the above, rent
20 increases shall not exceed six percent above the rent since the current
21 rent became effective, except upon the approval of a temporary hardship
22 application by the court. In addition to the provisions of this para-
23 graph and paragraphs (b) and (c) of this subdivision the court shall
24 take into account the following factors when determining whether to
25 grant a temporary hardship application:

26 (i) The amount of increase being sought by the park owners;

27 (ii) The ability of the manufactured home owner to pay such increase
28 including whether the increase would have an unreasonable adverse impact
29 on the manufactured home owner;

30 (iii) The amount of time and notice the manufactured home owner may
31 need in order to pay a temporary rent increase;

32 (iv) The duration the park owners intend for the temporary rent
33 increase to last;

34 (v) The cause of the hardship the rent increase is being requested to
35 alleviate, including whether the hardship was due to owner negligence
36 and malfeasance;

37 (vi) The ability of the park owners to utilize other means besides a
38 rent increase to alleviate said hardship;

39 (vii) The likelihood that the property the manufactured home park is
40 located on will go into foreclosure if a temporary rent increase above
41 six percent is not granted;

42 (viii) Any other factor that will jeopardize the ability of the park
43 to legally operate.

44 (b) A court order approving a temporary hardship application shall
45 state for each manufactured home owner:

46 (i) The amount of the rent increase;

47 (ii) The date the rent increase is to take effect;

48 (iii) The date the increase is to end;

49 (iv) The amount the rent will return to; and

50 (v) The court's findings as to the factors necessitating a temporary
51 increase.

52 (c) Upon a finding by the court that the manufactured home park should
53 be granted a hardship exemption, the amount of any rent increase shall
54 be the minimum amount to alleviate the hardship. An order granting a
55 temporary rent increase shall not exceed six months. The order must be
56 served on the manufactured home owners and all known legal tenants

1 pursuant to the rules of civil procedure within thirty days of the court
2 order, the cost of which shall be on the manufactured home park owner.

3 7. The court may condition its approval of any rent increase upon the
4 redress of conditions in the manufactured home park which threaten the
5 health and safety of the manufactured home tenant.

6 8. While a challenge to a rent increase pursuant to this section is
7 pending, manufactured home park tenants shall pay the amount of the rent
8 increase to the manufactured home park owner who shall hold such amounts
9 in escrow pending a mediated agreement between the parties or a final
10 decision from the courts, provided, however, that no manufactured home
11 park tenant shall be evicted for non-payment of the rent increase prior
12 to the final disposition of the matter by the court in the county where
13 the manufactured home park is located. Failure by the manufactured home
14 park owner to place such challenged rent increase in escrow shall be
15 punishable by a civil penalty of not more than five hundred dollars. If
16 the petitioners appeal, the manufactured home park owner may remove the
17 rent increase funds from escrow, mingle such funds with any other funds,
18 and commence a nonpayment proceeding in the court of appropriate juris-
19 isdiction against a tenant who has not paid the increase of rent. If the
20 court enters a final judgment declaring the rent increases or any part
21 thereof unjustifiable and impermissible, the manufactured home park
22 owner shall refund the amount of the impermissible increase to each
23 tenant household.

24 § 13. Severability. If any provision of this act, or any application
25 of any provision of this act, is held to be invalid, that shall not
26 affect the validity or effectiveness of any other provision of this act,
27 or of any application of any provision of this act, which can be given
28 effect without that provision or application; and to that end, the
29 provisions and applications of this act are severable.

30 § 14. This act shall take effect on the thirtieth day after it shall
31 have become a law.

32 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
33 sion, section or part of this act shall be adjudged by any court of
34 competent jurisdiction to be invalid, such judgment shall not affect,
35 impair, or invalidate the remainder thereof, but shall be confined in
36 its operation to the clause, sentence, paragraph, subdivision, section
37 or part thereof directly involved in the controversy in which such judg-
38 ment shall have been rendered. It is hereby declared to be the intent of
39 the legislature that this act would have been enacted even if such
40 invalid provisions had not been included herein.

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