## STATE OF NEW YORK

8413

2019-2020 Regular Sessions

## IN ASSEMBLY

June 16, 2019

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

AN ACT to amend the administrative code of the city of New York, to amend the emergency tenant protection act of nineteen seventy-four, and to amend part C of chapter 36 of the laws of 2019, amending the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four relating 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 relating to prohibiting a county rent guidelines board from establishing rent adjustments for class A dwelling units based on certain considerations, in relation to rent guidelines boards; to amend part D of chapter 36 of the laws of 2019 amending the emergency tenant protection act of nineteen seventy-four relating to vacancies in certain housing accommodations, in relation to making certain technical corrections; to amend the emergency tenant protection act of nineteen seventy-four and the administrative code of the city of New York, in relation to vacancy decontrol; 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; to amend the emergency tenant protection act of nineteen seventy-four, the administrative code of the city of New York, the emergency housing rent control law, and to amend part K of chapter 36 of the laws of 2019, amending the emergency tenant protection act of nineteen seventy-four and other laws, relating to a temporary increase in rent in certain cases, in relation to rent increases in certain cases; to amend the public housing law, in relation to annual reports by the state commissioner of housing and community renewal; to amend the real property law, in relation to notices required to tenants; to amend part M of chapter 36 of the laws of 2019, amending the real property law, and other laws, relating to enacting the "statewide housing security and tenant protection act of 2019", in relation to the effectiveness of certain provisions thereof; to amend the real property law, in

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

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relation to the content of rent-to-own contracts pertaining to manufactured or mobile homes; to amend the emergency housing rent control law, in relation to adjustments of maximum rent; and to repeal certain provisions of the emergency housing rent control law and the administrative code of the city of New York relating to vacancy decontrol

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

1 Section 1. Subdivision j of section 26-510 of the administrative code 2 of the city of New York, as added by section 1 of part C of chapter 36 3 of the laws of 2019, is amended 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] The rent guidelines
[boards] board shall no longer promulgate adjustments for vacancy leases
unless otherwise authorized by this chapter.

9 § 2. Subdivision e of section 4 of section 4 of chapter 576 of the 10 laws of 1974, constituting the emergency tenant protection act of nine-11 teen seventy-four, as added by section 2 of part C of chapter 36 of the 12 laws of 2019, is amended 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] Rent
guidelines boards shall no longer promulgate adjustments for vacancy
leases.

18 § 3. The opening paragraph of subdivision b of section 4 of section 4 19 of chapter 576 of the laws of 1974, constituting the emergency tenant 20 protection act of nineteen seventy-four, as amended by section 3 of part 21 C of chapter 36 of the laws of 2019, is amended to read as follows:

22 A county rent quidelines board shall establish annual quidelines for 23 rent adjustments which, at its sole discretion may be varied and differ-24 ent for and within the several zones and jurisdictions of the board, and 25 in determining whether rents for housing accommodations as to which an 26 emergency has been declared pursuant to this act shall be adjusted, 27 shall consider among other things (1) the economic condition of the 28 residential real estate industry in the affected area including such 29 factors as the prevailing and projected (i) real estate taxes and sewer and water rates, (ii) gross operating maintenance costs (including 30 insurance rates, governmental fees, cost of fuel and labor costs), (iii) 31 32 costs and availability of financing (including effective rates of inter-33 est), (iv) over-all supply of housing accommodations and over-all vacan-34 cy 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 35 available to it. As soon as practicable after its creation and thereaft-36 37 er not later than July first of each year, a rent guidelines board shall 38 file with the state division of housing and community renewal its findings for the preceding calendar year, and shall accompany such findings 39 with a statement of the maximum rate or rates of rent adjustment, if 40 41 for one or more classes of accommodation subject to this act, any, 42 authorized for leases or other rental agreements commencing during the 43 next succeeding twelve months. The standards for rent adjustments may be 44 applicable for the entire county or may be varied according to such zones or jurisdictions within such county as the board finds necessary 45 46 to achieve the purposes of this subdivision. A [county] rent guidelines

1 board shall not establish annual quidelines for rent adjustments based 2 on the current rental cost of a unit or on the amount of time that has 3 elapsed since another rent increase was authorized pursuant to this chapter. 4 5 § 4. Section 5 of part C of chapter 36 of the laws of 2019, amending б the administrative code of the city of New York and the emergency tenant 7 protection act of nineteen seventy-four relating to vacancy of certain 8 housing accommodations and to amend the emergency tenant protection act 9 of nineteen seventy-four and the administrative code of the city of New 10 York relating to prohibiting a county rent guidelines board from establishing rent adjustments for class A dwelling units based on certain 11 considerations, is amended to read as follows: 12 13 This act shall take effect immediately; provided, further, that § 5. 14 the amendments to section 26-510 of chapter 4 of title 26 of the admin-15 istrative code of the city of New York made by sections one and four of 16 this act shall expire on the same date as such law expires and shall not 17 affect the expiration of such law as provided under section 26-520 of 18 such law. 19 § 5. Section 6 of part D of chapter 36 of the laws of 2019 amending 20 the emergency tenant protection act of nineteen seventy-four, relating 21 to vacancies in certain housing accommodations, is amended to read as 22 follows: § 6. Paragraph 12 of subdivision a of section 5 of section 4 of chap-23 24 ter 576 of the laws of 1974, constituting the emergency tenant 25 protection act of nineteen seventy-four, is REPEALED. 26 § 6. Section 7 of part D of chapter 36 of the laws of 2019 amending 27 the emergency tenant protection act of nineteen seventy-four, relating to vacancies in certain housing accommodations, is amended to read as 28 29 follows: 30 § 7. Section 5-a of section 4 of chapter 576 of the laws of 1974, 31 constituting the emergency tenant protection act of nineteen seventy-32 four, is REPEALED. 33 7. Section 26-403.1 of the administrative code of the city of New § York is REPEALED. 34 35 § 8. Subparagraph (j) of paragraph 2 of subdivision (e) of section 36 26-403 of the administrative code of the city of New York is REPEALED. 37 § 9. Section 2-a of chapter 274 of the laws of 1946, constituting the 38 emergency housing rent control law, is REPEALED. § 10. Section 8 of part D of chapter 36 of the laws of 2019, amending 39 the emergency tenant protection act of nineteen seventy-four, in relat-40 41 ing to vacancies in certain housing accommodations, is amended to read 42 as follows: 43 § 8. This act shall take effect immediately; provided however, that 44 (i) any unit that was lawfully deregulated prior to June 14, 2019 shall 45 remain deregulated; and (ii) a market rate unit in a multiple dwelling 46 receiving benefits pursuant to subdivision 16 of section 421-a of the 47 real property tax law shall continue to be subject to the deregulation 48 provisions of rent stabilization as provided by law prior to June 14, 49 2019. 50 11. Subdivision (a-2) of section 10 of section 4 of chapter 576 of § 51 the laws of 1974, constituting the emergency tenant protection act of 52 nineteen seventy-four, as amended by section 1 of part E of chapter 36 53 of the laws of 2019, is amended to read as follows: 54 (a-2) Where the amount of rent charged to and paid by the tenant is 55 less than the legal regulated rent for the housing accommodation, the 56 amount of rent for such housing accommodation which may be charged upon

vacancy thereof, may, at the option of the owner, be based upon such 1 previously established legal regulated rent, as adjusted by the most 2 3 recent applicable guidelines increases and other increases authorized by 4 [Any] For any tenant who is subject to a lease on or after the law. 5 effective date of a chapter of the laws of two thousand nineteen which б amended this subdivision, or is or was entitled to receive a renewal or 7 vacancy lease on or after such date, upon renewal of such lease, the 8 amount of rent for such housing accommodation that may be charged and 9 paid shall be no more than the rent charged to and paid by the tenant 10 prior to that renewal, as adjusted by the most recent applicable guide-11 lines increases and any other increases authorized by law. Provided, however, that for buildings that are subject to this statute by virtue 12 of a regulatory agreement with a local government agency and which 13 14 buildings receive federal project based rental assistance administered 15 by the United States department of housing and urban development or a 16 state or local section eight administering agency, where the rent set by 17 the federal, state or local governmental agency is less than the legal regulated rent for the housing accommodation, the amount of rent for 18 19 such housing accommodation which may be charged with the approval of 20 such federal, state or local governmental agency upon renewal or upon 21 vacancy thereof, may be based upon such previously established legal regulated rent, as adjusted by the most recent applicable guidelines 22 increases or other increases authorized by law; and further provided 23 24 that such vacancy shall not be caused by the failure of the owner or an 25 agent of the owner, to maintain the housing accommodation in compliance 26 with the warranty of habitability set forth in subdivision one of 27 section two hundred thirty-five-b of the real property law. 28 § 12. Paragraph 14 of subdivision c of section 26-511 of the adminis-29 trative code of the city of New York, as amended by section 2 of part E 30 of chapter 36 of the laws of 2019, is amended to read as follows: 31 (14) where the amount of rent charged to and paid by the tenant is less than the legal regulated rent for the housing accommodation, the

32 33 amount of rent for such housing accommodation which may be charged upon 34 vacancy thereof, may, at the option of the owner, be based upon such 35 previously established legal regulated rent, as adjusted by the most 36 recent applicable guidelines increases and any other increases author-37 ized by law. [Any] For any tenant who is subject to a lease on or after 38 the effective date of a chapter of the laws of two thousand nineteen 39 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 40 41 amount of rent for such housing accommodation that may be charged and 42 paid shall be no more than the rent charged to and paid by the tenant 43 prior to that renewal, as adjusted by the most recent applicable guide-44 lines increases and any other increases authorized by law. Provided, 45 however, that for buildings that are subject to this statute by virtue 46 of a regulatory agreement with a local government agency and which 47 buildings receive federal project based rental assistance administered by the United States department of housing and urban development or a 48 49 state or local section eight administering agency, where the rent set by 50 the federal, state or local governmental agency is less than the legal 51 regulated rent for the housing accommodation, the amount of rent for 52 such housing accommodation which may be charged with the approval of 53 such federal, state or local governmental agency upon renewal or upon 54 vacancy thereof, may be based upon such previously established legal 55 regulated rent, as adjusted by the most recent applicable guidelines 56 increases and other increases authorized by law; and further provided

1 that such vacancy shall not be caused by the failure of the owner or an 2 agent of the owner, to maintain the housing accommodation in compliance 3 with the warranty of habitability set forth in subdivision one of 4 section two hundred thirty-five-b of the real property law.

5 § 13. Paragraph 9 of subdivision a of section 12 of section 4 of chap-6 ter 576 of the laws of 1974, constituting the emergency tenant 7 protection act of nineteen seventy-four, as added by section 2 of part F 8 of chapter 36 of the laws of 2019, is amended to read as follows:

9 (9) The division of housing and community renewal and the courts, in 10 investigating complaints of overcharge and in determining legal regulated rents, shall consider all available rent history which is reason-11 ably necessary to make such determinations, including but not limited to 12 13 (a) any rent registration or other records filed with the state division 14 of housing and community renewal, or any other state, municipal or 15 federal agency, regardless of the date to which the information on such 16 registration refers; (b) any order issued by any state, municipal or 17 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 18 19 state, municipal or federal agency. Nothing contained in this paragraph 20 shall limit the examination of rent history relevant to a determination 21 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;

27 (ii) whether an accommodation is subject to the emergency tenant 28 protection act;

29 (iii) whether an order issued by the division of housing and community 30 renewal or a court of competent jurisdiction, including, but not limited 31 to an order issued pursuant to section [26-514 of the administrative 32 codeof the city of New York seven of this act, or any regulatory 33 agreement or other contract with any governmental agency, and remaining 34 in effect within six years of the filing of a complaint pursuant to this 35 section, affects or limits the amount of rent that may be charged or 36 collected;

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

38 (v) whether a rent adjustment that requires information regarding the 39 length of occupancy by a present or prior tenant was lawful;

40 (vi) the existence or terms and conditions of a preferential rent, or 41 the propriety of a legal registered rent during a period when the 42 tenants were charged a preferential rent;

43 (vii) the legality of a rent charged or registered immediately prior 44 to the registration of a preferential rent; or

(viii) the amount of the legal regulated rent where the apartment was 46 vacant or temporarily exempt on the date six years prior to a tenant's 47 complaint.

48 § 14. Subparagraph (b) of paragraph 9 of subdivision c of section 49 26-511 of the administrative code of the city of New York, as amended by 50 section 2 of part I of chapter 36 of the laws of 2019, is amended to 51 read as follows:

52 (b) where he or she seeks to recover possession of one dwelling unit 53 because of immediate and compelling necessity for his or her own 54 personal use and occupancy as his or her primary residence or for the 55 use and occupancy of a member of his or her immediate family as his or 56 her primary residence, provided however, that this subparagraph shall

1 permit recovery of only one dwelling unit and shall not apply where a 2 tenant or the spouse of a tenant lawfully occupying the dwelling unit is 3 sixty-two years of age or older, has been a tenant in a dwelling unit in 4 that building for fifteen years or more, or has an impairment which 5 results from anatomical, physiological or psychological conditions, б other than addiction to alcohol, gambling, or any controlled substance, 7 which are demonstrable by medically acceptable clinical and laboratory 8 diagnostic techniques, and which are expected to be permanent and which 9 prevent the tenant from engaging in any substantial gainful employment, 10 unless such owner offers to provide and if requested, provides an equiv-11 alent or superior housing accommodation at the same or lower stabilized rent in a closely proximate area. The provisions of this subparagraph 12 shall only permit one of the individual owners of any building to 13 14 recover possession of one dwelling unit for his or her own personal use 15 and/or for that of his or her immediate family. A dwelling unit recov-16 ered by an owner pursuant to this subparagraph shall not for a period of 17 three years be rented, leased, subleased or assigned to any person other than a person for whose benefit recovery of the dwelling unit is permit-18 19 ted pursuant to this subparagraph or to the tenant in occupancy at the 20 time of recovery under the same terms as the original lease; provided, 21 however, that a tenant required to surrender a [housing accommodation by virtue of the operation of subdivision g or h of section 26-408 of this 22 title] dwelling unit under this subparagraph shall have a cause of 23 action in any court of competent jurisdiction for damages, declaratory, 24 25 and injunctive relief against a landlord or purchaser of the premises 26 who makes a fraudulent statement regarding a proposed use of the housing 27 accommodation. In any action or proceeding brought pursuant to this subparagraph a prevailing tenant shall be entitled to recovery of actual 28 29 damages, and reasonable attorneys' fees. This subparagraph shall not be 30 deemed to establish or eliminate any claim that the former tenant of the 31 dwelling unit may otherwise have against the owner. Any such rental, 32 lease, sublease or assignment during such period to any other person may 33 be subject to a penalty of a forfeiture of the right to any increases in 34 residential rents in such building for a period of three years; or 35 § 15. Subdivision a 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 3 of part I of chapter 36 of the laws of 2019, is amended to read as follows:

a. For cities having a population of less than one million and towns 39 40 and villages, the state division of housing and community renewal shall 41 be empowered to implement this act by appropriate regulations. Such 42 regulations may encompass such speculative or manipulative practices or 43 renting or leasing practices as the state division of housing and commu-44 nity renewal determines constitute or are likely to cause circumvention 45 of this act. Such regulations shall prohibit practices which are likely 46 to prevent any person from asserting any right or remedy granted by this 47 act, including but not limited to retaliatory termination of periodic 48 tenancies and shall require owners to grant a new one or two year vacancy or renewal lease at the option of the tenant, except where a mortgage 49 50 or mortgage commitment existing as of the local effective date of this 51 act provides that the owner shall not grant a one-year lease; and shall 52 prescribe standards with respect to the terms and conditions of new and 53 leases, additional rent and such related matters as security renewal 54 deposits, advance rental payments, the use of escalator clauses in leases and provision for increase in rentals for garages and other ancillary 55 56 facilities, so as to [insure] ensure that the level of rent adjustments

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

S 16. Paragraph (a) of subdivision 2 of section 5 of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, as amended by section 4 of part I of chapter 36 of the laws of 2019, is amended to read as follows:

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

54 § 17. Paragraphs 6 and 10 of subdivision a of section 5 of section 4 55 of chapter 576 of the laws of 1974, constituting the emergency tenant 56 protection act of nineteen seventy-four, paragraph 6 as amended by chap1 ter 403 of the laws of 1983 and paragraph 10 as amended by section 1 of 2 part J of chapter 36 of the laws of 2019, are amended to read as 3 follows:

4 (6) housing accommodations owned or operated by a hospital, convent, 5 monastery, asylum, public institution, or college or school dormitory or б any institution operated exclusively for charitable or educational 7 purposes on a non-profit basis other than (i) those accommodations occu-8 pied by a tenant on the date such housing accommodation is acquired by 9 any such institution, or which are occupied subsequently by a tenant who 10 is not affiliated with such institution at the time of his initial occu-11 pancy or (ii) permanent housing accommodations with government contracted services, as of and after June fourteenth, two thousand nine-12 13 teen, to vulnerable individuals or individuals with disabilities who are 14 or were homeless or at risk of homelessness; provided, however, that the 15 terms of leases in existence as of June fourteenth, two thousand nine-16 teen, shall only be affected upon lease renewal, and further provided that upon the vacancy of such housing accommodations, the legal regu-17 lated rent for such housing accommodations shall be the legal regulated 18 19 rent paid for such housing accommodations by the prior tenant, subject 20 only to any adjustment adopted by the applicable rent guidelines board;

21 (10) housing accommodations in buildings operated exclusively for 22 charitable purposes on a non-profit basis except for permanent housing 23 accommodations with government contracted services, as of and after the 24 effective date of the chapter of the laws of two thousand nineteen that 25 amended this paragraph, to vulnerable individuals or individuals with 26 disabilities who are or were homeless or at risk of homelessness; provided, however, that the terms of leases in existence as of the 27 effective date of the chapter of the laws of two thousand nineteen that 28 29 amended this paragraph, shall only be affected upon lease renewal, and 30 further provided that upon the vacancy of such housing accommodations\_ 31 the legal regulated rent for such housing accommodations shall be the 32 legal regulated rent paid for such housing accommodations by the prior 33 tenant, subject only to any adjustment adopted by the applicable rent 34 quidelines board;

35 § 18. Paragraph 1 of subdivision d of section 6 of section 4 of chap-36 ter 576 of the laws of 1974, constituting the emergency tenant 37 protection act of nineteen seventy-four, as amended by section 1 of part 38 K of chapter 36 of the laws of 2019, is amended to read as follows:

39 (1) there has been a substantial modification or increase of dwelling 40 space, or installation of new equipment or improvements or new furniture 41 or furnishings, provided in or to a tenant's housing accommodation, on 42 written informed tenant consent to the rent increase. In the case of a 43 vacant housing accommodation, tenant consent shall not be required. The temporary increase in the legal regulated rent for the affected housing 44 accommodation shall be one-one hundred sixty-eighth, in the case of a 45 46 building with thirty-five or fewer housing accommodations or one-one 47 hundred eightieth in the case of a building with more than thirty-five housing accommodations where such increase takes effect on or after the 48 effective date of the chapter of the laws of two thousand nineteen that 49 50 amended this paragraph, of the total actual cost incurred by the land-51 lord up to fifteen thousand dollars in providing such reasonable and 52 verifiable modification or increase in dwelling space, furniture, 53 furnishings, or equipment, including the cost of installation but 54 excluding finance charges and any costs that exceed reasonable costs established by rules and regulations promulgated by the division of 55 56 housing and community renewal. Such rules and regulations shall include:

(i) requirements for work to be done by licensed contractors and a 1 2 prohibition on common ownership between the landlord and the contractor or vendor; and (ii) a requirement that the owner resolve within the 3 4 dwelling space all outstanding hazardous or immediately hazardous 5 violations of the Uniform Fire Prevention and Building Code (Uniform б Code), New York City Fire Code, or New York City Building and Housing 7 Maintenance Codes, if applicable. Provided further that an owner who is 8 entitled to a rent increase pursuant to this paragraph shall not be 9 entitled to a further rent increase based upon the installation of simi-10 lar equipment, or new furniture or furnishings within the useful life of 11 such new equipment, or new furniture or furnishings. Provided further the recoverable costs incurred by the landlord, pursuant to this 12 that 13 paragraph, shall be limited to an aggregate cost of fifteen thousand 14 dollars that may be expended on no more than three separate individual 15 apartment improvements in a fifteen year period beginning with the first 16 individual apartment improvement on or after June fourteenth, two thou-17 sand nineteen. Provided further that increases to the legal regulated 18 rent pursuant to this paragraph shall be removed from the legal regulated rent thirty years from the date the increase became effective 19 20 inclusive of any increases granted by the applicable rent guidelines 21 board. 22 19. Paragraph 13 of subdivision c of section 26-511 of the adminis-§ 23 trative code of the city of New York, as amended by section 2 of part K 24 of chapter 36 of the laws of 2019, is amended to read as follows: 25 (13) provides that an owner is entitled to a rent increase where there 26 has been a substantial modification or increase of dwelling space, or 27 installation of new equipment or improvements or new furniture or furnishings provided in or to a tenant's housing accommodation, on writ-28 ten informed tenant consent to the rent increase. In the case of a 29 30 vacant housing accommodation, tenant consent shall not be required. The 31 temporary increase in the legal regulated rent for the affected housing 32 accommodation shall be one-one hundred sixty-eighth, in the case of a 33 building with thirty-five or fewer housing accommodations or one-one hundred eightieth in the case of a building with more than thirty-five 34 35 housing accommodations where such increase takes effect on or after the 36 effective date of the chapter of the laws of two thousand nineteen that 37 amended this paragraph, of the total actual cost incurred by the land-38 lord in providing such reasonable and verifiable modification or 39 increase in dwelling space, furniture, furnishings, or equipment, including the cost of installation but excluding finance charges and any 40 41 costs that exceed reasonable costs established by rules and regulations 42 promulgated by the division of housing and community renewal. Such rules 43 and regulations shall include: (i) requirements for work to be done by 44 licensed contractors and prohibit common ownership between the landlord 45 and the contractor or vendor; and (ii) a requirement that the owner 46 resolve within the dwelling space all outstanding hazardous or imme-47 diately hazardous violations of the Uniform Fire Prevention and Building (Uniform Code), New York City Fire Code, or New York City Building 48 Code and Housing Maintenance Codes, if applicable. Provided further that an 49 50 owner who is entitled to a rent increase pursuant to this paragraph 51 shall not be entitled to a further rent increase based upon the instal-52 lation of similar equipment, or new furniture or furnishings within the

53 useful life of such new equipment, or new furniture or furnishings. 54 Provided further that the recoverable costs incurred by the landlord, 55 pursuant to this paragraph, shall be limited to an aggregate cost of 56 fifteen thousand dollars that may be expended on no more than three

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separate individual apartment improvements in a fifteen year period 1 2 beginning with the first individual apartment improvement on or after June fourteenth, two thousand nineteen. Provided further that increases 3 4 to the legal regulated rent pursuant to this paragraph shall be removed 5 from the legal regulated rent thirty years from the date the increase б became effective inclusive of any increases granted by the applicable 7 rent guidelines board. 8 § 20. Subparagraph (e) of paragraph 1 of subdivision g of section 9 26-405 of the administrative code of the city of New York, as amended by 10 section 3 of part K of chapter 36 of the laws of 2019, is amended to 11 read as follows: (e) The landlord and tenant by mutual voluntary written agreement 12 13 demonstrating informed consent agree to a substantial increase or 14 decrease in dwelling space or a change in furniture, furnishings or 15 equipment provided in the housing accommodations. An adjustment under 16 this subparagraph shall be equal to one-one hundred sixty-eighth, in the 17 case of a building with thirty-five or fewer housing accommodations or one-one hundred eightieth in the case of a building with more than thir-18 19 ty-five housing accommodations where such temporary adjustment takes 20 effect on or after the effective date of the chapter of the laws of two 21 thousand nineteen that amended this subparagraph, of the total actual 22 cost incurred by the landlord in providing such reasonable and verifiable modification or increase in dwelling space, furniture, furnishings, 23 equipment, including the cost of installation but excluding finance 24 or 25 charges and any costs that exceed reasonable costs established by rules 26 and regulations promulgated by the division of housing and community 27 renewal. Such rules and regulations shall include: (i) requirements for 28 work to be done by licensed contractors and prohibit common ownership 29 between the landlord and the contractor or vendor; and (ii) a require-30 ment that the owner resolve within the dwelling space all outstanding 31 hazardous or immediately hazardous violations of the Uniform Fire 32 Prevention and Building Code (Uniform Code), New York City Fire Code, or 33 New York City Building and Housing Maintenance Codes, if applicable. 34 Provided further that an owner who is entitled to a rent increase pursu-35 ant to this subparagraph shall not be entitled to a further rent 36 increase based upon the installation of similar equipment, or new furni-37 ture or furnishings within the useful life of such new equipment, or new 38 furniture or furnishings. Provided further that the recoverable costs 39 incurred by the landlord, pursuant to this subparagraph shall be limited to an aggregate cost of fifteen thousand dollars that may be expended on 40 41 no more than three separate individual apartment improvements in a 42 fifteen year period beginning with the first individual apartment improvement on or after June fourteenth, two thousand nineteen. Provided 43 further that increases to the legal regulated rent pursuant to this 44 45 subparagraph shall be removed from the legal regulated rent thirty years 46 from the date the increase became effective inclusive of any increases 47 granted by the applicable rent guidelines board. The owner shall give 48 written notice to the city rent agency of any such temporary adjustment 49 pursuant to this subparagraph; or § 21. Paragraphs 8 and 12 of subdivision a of section 26-511.1 of 50 the 51 administrative code of the city of New York, as added by section 4 of 52 part K of chapter 36 of the laws of 2019, are amended to read as 53 follows: 54 (8) establish that temporary major capital improvement increases shall be collectible prospectively on the first day of the first month begin-55 56 ning sixty days from the date of mailing notice of approval to the

tenant. Such notice shall disclose the total monthly increase in rent 1 2 and the first month in which the tenant would be required to pay the temporary increase. An approval for a temporary major capital improve-3 4 ment increase shall not include retroactive payments. The collection of 5 any increase shall not exceed two percent in any year from the effective б date of the order granting the increase over the rent set forth in the 7 schedule of gross rents, with collectability of any dollar excess above said sum to be spread forward in similar increments and added to the 8 9 rent as established or set in future years. Upon vacancy, the landlord 10 may add any remaining balance of the temporary major capital improvement 11 increase to the legal regulated rent. Notwithstanding any other provision of the law, for any renewal lease commencing on or after June 12 13 14, 2019, the collection of any rent increases due to any major capital 14 improvements approved on or after June 16, 2012 and before June 16, 2019 15 shall not exceed two percent in any year [beginning on or after Septem-16 ber 1, 2019] for any tenant in occupancy on the date the major capital 17 improvement was approved; 18 (12) establish a form in the top six languages other than English 19

spoken in the state according to the latest available data from the U.S. 20 Bureau of Census for a temporary individual apartment improvement rent 21 increase for a tenant in occupancy which shall be used by landlords to obtain written informed consent that shall include the estimated total 22 cost of the improvement and the estimated monthly rent increase. [Such 23 consent shall be executed in the tenant's primary language.] Such form 24 shall be completed and preserved in the centralized electronic retention 25 26 system to be operational by June 14, 2020. Nothing herein shall relieve 27 a landlord, lessor, or agent thereof of his or her duty to retain proper 28 documentation of all improvements performed or any rent increases 29 resulting from said improvements.

30 § 22. Paragraphs 8 and 12 of subdivision a of section 26-405.1 of the 31 administrative code of the city of New York, as added by section 5 of 32 part K of chapter 36 of the laws of 2019, are amended to read as 33 follows:

(8) establish that temporary major capital improvement increases shall 34 35 be collectible prospectively on the first day of the first month begin-36 ning sixty days from the date of mailing notice of approval to the 37 tenant. Such notice shall disclose the total monthly increase in rent 38 and the first month in which the tenant would be required to pay the temporary increase. An approval for a temporary major capital improve-ment increase shall not include retroactive payments. The collection of 39 40 41 any increase shall not exceed two percent in any year from the effective 42 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 43 44 said sum to be spread forward in similar increments and added to the 45 rent as established or set in future years. Upon vacancy, the landlord 46 may add any remaining balance of the temporary major capital improvement 47 increase to the legal regulated rent. Notwithstanding any other provision of the law, for any renewal lease commencing on or after June 48 14, 2019, the collection of any rent increases due to any major capital 49 50 improvements approved on or after June 16, 2012 and before June 16, 2019 51 shall not exceed two percent in any year [beginning on or after Septem-52 ber 1, 2019] for any tenant in occupancy on the date the major capital 53 improvement was approved; 54 (12) establish a form in the top six languages other than English

55 <u>spoken in the state according to the latest available data from the U.S.</u>
56 <u>Bureau of Census</u> for a temporary individual apartment improvement rent

increase for a tenant in occupancy which shall be used by landlords to 1 obtain written informed consent that shall include the estimated total 2 cost of the improvement and the estimated monthly rent increase. [Such 3 4 consent shall be executed in the tenant's primary language.] Such form shall be completed and preserved in the centralized electronic retention 5 б system to be operational by June 14, 2020. Nothing herein shall relieve a landlord, lessor, or agent thereof of his or her duty to retain proper 7 8 documentation of all improvements performed or any rent increases 9 resulting from said improvements. 10 § 23. Paragraphs 8 and 12 of subdivision (a) of section 10-b of section 4 of chapter 576 of the laws of 1974, constituting the emergency 11 tenant protection act of nineteen seventy-four, as added by section 6 of 12 part K of chapter 36 of the laws of 2019, are amended to read as 13 14 follows: 15 8. establish that temporary major capital improvement increases shall 16 be collectible prospectively on the first day of the first month begin-17 ning sixty days from the date of mailing notice of approval to the tenant. Such notice shall disclose the total monthly increase in rent 18 and the first month in which the tenant would be required to pay the 19 20 temporary increase. An approval for a temporary major capital improve-21 ment increase shall not include retroactive payments. The collection of any increase shall not exceed two percent in any year from the effective 22 23 date of the order granting the increase over the rent set forth in the 24 schedule of gross rents, with collectability of any dollar excess above 25 said sum to be spread forward in similar increments and added to the 26 rent as established or set in future years. Upon vacancy, the landlord 27 may add any remaining balance of the temporary major capital improvement

increase to the legal regulated rent. Notwithstanding any other provision of the law, <u>for any renewal lease commencing on or after June</u> <u>14, 2019</u>, the collection of any rent increases due to any major capital improvements approved on or after June 16, 2012 and before June 16, 2019 shall not exceed two percent in any year [beginning on or after Septem-<u>ber 1, 2019</u>] for any tenant in occupancy on the date the major capital improvement was approved;

35 12. establish a form in the top six languages other than English 36 spoken in the state according to the latest available data from the U.S. 37 Bureau of Census for a temporary individual apartment improvement rent 38 increase for a tenant in occupancy which shall be used by landlords to obtain written informed consent that shall include the estimated total 39 40 cost of the improvement and the estimated monthly rent increase. [<del>Such</del> consent shall be executed in the tenant's primary language.] Such form 41 42 shall be completed and preserved in the centralized electronic retention 43 system to be operational by June 14, 2020. Nothing herein shall relieve a landlord, lessor, or agent thereof of his or her duty to retain proper 44 45 documentation of all improvements performed or any rent increases 46 resulting from said improvements.

§ 24. Paragraphs (h) and (l) of subdivision 1 of section 8-a of chap-48 ter 274 of the laws of 1946, constituting the emergency housing rent 49 control law, as added by section 7 of part K of chapter 36 of the laws 50 of 2019, are amended to read as follows:

(h) establish that temporary major capital improvement increases shall be collectible prospectively <u>on the first day of the first month begin-</u> <u>ning</u> sixty days from the date of mailing notice of approval to the tenant. Such notice shall disclose the total monthly increase in rent and the first month in which the tenant would be required to pay the temporary increase. An approval for a temporary major capital improve-

1 ment increase shall not include retroactive payments. The collection of 2 any increase shall not exceed two percent in any year from the effective date of the order granting the increase over the rent set forth in the 3 4 schedule of gross rents, with collectability of any dollar excess above 5 said sum to be spread forward in similar increments and added to the б rent as established or set in future years. Upon vacancy, the landlord 7 may add any remaining balance of the temporary major capital improvement 8 increases to the legal regulated rent. Notwithstanding any other 9 provision of the law, for any renewal lease commencing on or after June 10 14, 2019, the collection of any rent increases due to any major capital improvements approved on or after June 16, 2012 and before June 16, 2019 11 shall not exceed two percent in any year [beginning on or after Septem-12 13 ber 1, 2019] for any tenant in occupancy on the date the major capital 14 improvement was approved;

15 (1) establish a form in the top six languages other than English 16 spoken in the state according to the latest available data from the U.S. 17 Bureau of Census for a temporary individual apartment improvement rent increase for a tenant in occupancy which shall be used by landlords to 18 obtain written informed consent that shall include the estimated total 19 20 cost of the improvement and the estimated monthly rent increase. [Such 21 consent shall be executed in the tenant's primary language.] Such form shall be completed and preserved in the centralized electronic retention 22 system to be operational by June 14, 2020. Nothing herein shall relieve 23 24 a landlord, lessor, or agent thereof of his or her duty to retain proper 25 documentation of all improvements performed or any rent increases 26 resulting from said improvements.

S 25. 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 8 of part K of chapter 36 of the laws of 2019, is amended to read as follows:

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

rary major capital improvement increase to the legal regulated rent. 1 2 Notwithstanding any other provision of the law, for any renewal lease 3 commencing on or after June 14, 2019, the collection of any rent 4 increases due to any major capital improvements approved on or after 5 June 16, 2012 and before June 16, 2019 shall not exceed two percent in б any year [beginning on or after September 1, 2019] for any tenant in 7 occupancy on the date the major capital improvement was approved; or 8 § 26. Paragraph 3 of subdivision d of section 6 of section 4 of chap-9 ter 576 of the laws of 1974, constituting the emergency tenant 10 protection act of nineteen seventy-four, as amended by section 9 of part 11 K of chapter 36 of the laws of 2019, is amended to read as follows: (3) there has been since January first, nineteen hundred seventy-four 12 13 a major capital improvement essential for the preservation, energy effi-14 functionality, or infrastructure of the entire building, ciency, 15 improvement of the structure including heating, windows, plumbing and 16 roofing, but shall not be for operation costs or unnecessary cosmetic 17 improvements. An adjustment under this paragraph shall be in an amount sufficient to amortize the cost of the improvements pursuant to this 18 paragraph over a twelve-year period for a building with thirty-five or 19 20 fewer housing accommodations, or a twelve and one-half period for a 21 building with more than thirty-five housing accommodations and shall be removed from the legal regulated rent thirty years from the date the 22 increase became effective inclusive of any increases granted by the 23 24 applicable rent guidelines board, for any determination issued by the 25 division of housing and community renewal after the effective date of 26 the chapter of the laws of two thousand nineteen that amended this para-27 graph[ + the]. Temporary major capital improvement increases shall be collectable prospectively on the first day of the first month beginning 28 29 sixty days from the date of mailing notice of approval to the tenant. 30 Such notice shall disclose the total monthly increase in rent and the 31 first month in which the tenant would be required to pay the temporary 32 increase. An approval for a temporary major capital improvement increase 33 shall not include retroactive payments. The collection of any increase shall not exceed two percent in any year from the effective date of the 34 35 order granting the increase over the rent set forth in the schedule of 36 gross rents, with collectability of any dollar excess above said sum to 37 be spread forward in similar increments and added to the rent as estab-38 lished or set in future years. Upon vacancy, the landlord may add any 39 remaining balance of the temporary major capital improvement increase to 40 the legal regulated rent. Notwithstanding any other provision of the 41 law, the collection of any rent increases for any renewal lease commenc-42 ing on or after June 14, 2019, due to any major capital improvements 43 approved on or after June 16, 2012 and before June 16, 2019 shall not 44 exceed two percent in any year [beginning on or after September 1, 2019] 45 for any tenant in occupancy on the date the major capital improvement 46 was approved, or 47 § 27. Subparagraph (g) of paragraph 1 of subdivision g of section 48 26-405 of the administrative code of the city of New York, as amended by

48 26-405 of the administrative code of the city of New York, as amended by 49 section 10 of part K of chapter 36 of the laws of 2019, is amended to 50 read as follows: 51 (g) There has been since July first, nineteen hundred seventy, a major 52 capital improvement essential for the preservation energy efficiency,

52 capital improvement essential for the preservation energy efficiency, 53 functionality, or infrastructure of the entire building, improvement of 54 the structure including heating, windows, plumbing and roofing but shall 55 not be for operational costs or unnecessary cosmetic improvements. The 56 temporary increase based upon a major capital improvement under this

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

30 § 28. Paragraph 6 of subdivision c of section 26-511 of the adminis-31 trative code of the city of New York, as amended by section 11 of part K 32 of chapter 36 of the laws of 2019, is amended to read as follows:

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

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

50 § 29. Subdivision (c) of section 18 of part K of chapter 36 of the 51 laws of 2019, amending the emergency tenant protection act of nineteen 52 seventy-four and other laws relating to a temporary increase in rent in 53 certain cases, is amended to read as follows:

(c) [effective immediately,] the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on [its effective date are authorized and] and after June 14, 2019 are 1 directed to be made <u>immediately</u> and completed on or before [<del>such effec-</del> 2 <u>tive date</u>] <u>June 14, 2020, provided however that in the absence of such</u> 3 <u>rules and regulations, the division shall immediately commence and</u> 4 <u>continue implementation of all provisions of this act</u>.

5 § 30. Subdivision 2 of section 20 of the public housing law, as added 6 by section 2 of part L of chapter 36 of the laws of 2019, is amended to 7 read as follows:

8 2. The commissioner shall, on or before December thirty-first, two 9 thousand nineteen, and on or before December thirty-first in each subse-10 quent year, submit and make publicly available a report to the governor, 11 the temporary president of the senate, the speaker of the assembly, and on its website, on the implementation of the system of rent regulation 12 13 pursuant to chapter five hundred seventy-six of the laws of nineteen 14 hundred seventy-four, chapter two hundred seventy four of the laws of 15 nineteen hundred forty-six, chapter three hundred twenty-nine of the 16 laws of nineteen hundred sixty-three, chapter five hundred fifty-five of 17 the laws of nineteen hundred eighty-two, chapter four hundred two of the laws of nineteen hundred eighty-three, chapter one hundred sixteen of 18 the laws of nineteen hundred ninety-seven, sections 26-501, 26-502, and 19 20 26-520 of the administrative code of the city of New York and the hous-21 ing stability and tenant protection act of 2019. Such report shall include but not be limited to: a narrative describing the programs and 22 23 activities undertaken by the office of rent administration and the 24 tenant protection unit, and any other programs or activities undertaken 25 by the division to implement, administer, and enforce the system of rent 26 regulation; and in tabular format, for each of the three fiscal years 27 immediately preceding the date the report is due: (i) the number of rent 28 stabilized housing accommodations within each county; (ii) the number of 29 rent controlled housing accommodations within each county; (iii) the 30 number of applications for major capital improvements filed with the 31 division, the number of such applications approved as submitted, the 32 number of such applications approved with modifications, and the number such applications rejected; (iv) the median and mean value of appli-33 of 34 cations for major capital improvements approved; (v) the number of units 35 which were registered with the division where the amount charged to and 36 paid by the tenant was less than the registered rent for the housing 37 accommodation; (vi) for housing accommodations that were registered with 38 the division where the amount charged to and paid by the tenant was less 39 than the registered rent for the housing accommodation, the median and 40 mean difference between the registered rent for a housing accommodation 41 and the amount charged to and paid by the tenant; (vii) the median and 42 mean registered rent for housing accommodations for which the lease was 43 renewed by an existing tenant; (viii) the median and mean registered 44 rent for housing accommodations for which a lease was signed by a new 45 tenant after a vacancy; (ix) the median and mean increase, in dollars as a percentage, in the registered rent for housing accommodations 46 and 47 where the lease was signed by a new tenant after a vacancy; (x) the median and mean increase, in dollars and as a percentage, in the regis-48 49 tered rent for housing accommodations where the lease was signed by a 50 new tenant after a vacancy, where the amount changed to and paid by the 51 prior tenant was the full registered rent; (xi) the median and mean 52 increase, in dollars and as a percentage, in the registered rent for 53 housing accommodations where the lease was signed by a new tenant after 54 a vacancy, where the amount changed to and paid by the prior tenant was 55 less than the registered rent; (xii) the number of rent overcharge complaints processed by the division; (xiii) the number of final over-56

1 charge orders granting an overcharge; (xiv) the number of investigations commenced by the tenant protection unit, the aggregate number of rent 2 stabilized or rent controlled housing accommodations in each county that 3 4 were the subject of such investigations, and the dispositions of such 5 investigations. At the time the report is due, the commissioner shall б make available to the governor, the temporary president of the senate, 7 the speaker of the assembly, and shall make publicly available, and on 8 its website in machine readable format, the data used to tabulate the 9 figures required to be included in the report, taking any steps neces-10 sary to protect confidential information regarding ongoing investi-11 gations, individual buildings, housing accommodations, property owners, 12 and tenants. 13 31. Subdivision 2 of section 226-c of the real property law, as S 14 added by section 3 of part M of chapter 36 of the laws of 2019, is 15 amended to read as follows: 16 2. (a) For the purposes of this section, the required notice shall be based on the cumulative amount of time the tenant has occupied the resi-17 dence or the length of the tenancy in each lease, whichever is longer. 18 19 (b) If the tenant has occupied the unit for less than one year and 20 does not have a lease term of at least one year, the landlord shall 21 provide at least thirty days' notice. [(b)] (c) If the tenant has occupied the unit for more than one year 22 23 less than two years, or has a lease term of at least one year but but 24 less than two years, the landlord shall provide at least sixty days' 25 notice. 26  $\left[\frac{(\mathbf{c})}{(\mathbf{c})}\right]$  (d) If the tenant has occupied the unit for more than two years 27 or has a lease term of at least two years, the landlord shall provide at 28 least ninety days' notice. 29 § 32. Section 232-a of the real property law, as amended by section 6 30 of part M of chapter 36 of the laws of 2019, is amended to read as 31 follows: 32 § 232-a. Notice to terminate monthly tenancy or tenancy from month to 33 month in the city of New York. No monthly tenant, or tenant from month 34 to month, shall hereafter be removed from any lands or buildings in the 35 city of New York on the grounds of holding over the tenant's term unless 36 pursuant to the notice period required by subdivision two of section two 37 hundred twenty-six-c of this article, or for a tenancy other than a 38 residential tenancy at least thirty days before the expiration of the 39 term, the landlord or the landlord's agent serve upon the tenant, in the same manner in which a notice of petition in summary proceedings is now 40 41 allowed to be served by law, a notice in writing to the effect that the 42 landlord elects to terminate the tenancy and that unless the tenant removes from such premises on the day designated in the notice, the 43 44 landlord will commence summary proceedings under the statute to remove 45 such tenant therefrom. 46 § 33. Section 232-b of the real property law, as amended by section 7 47 of part M of chapter 36 of the laws of 2019, is amended to read as 48 follows: 49 § 232-b. Notification to terminate monthly tenancy or tenancy from month to month outside the city of New York. A monthly tenancy or tenan-50 51 cy from month to month of any lands or buildings located outside of the 52 city of New York may be terminated by the tenant or for a tenancy other 53 than a residential tenancy the landlord, upon the tenant's or non-resi-54 dential landlord's notifying the landlord or non-residential tenant at 55 least one month before the expiration of the term of the tenant's

1 election to terminate; provided, however, that no notification shall be 2 necessary to terminate a tenancy for a definite term.

3 § 34. Section 29 of part M of chapter 36 of the laws of 2019, amending 4 the real property law, and other laws, in relation to enacting the 5 "statewide housing security and tenant protection act of 2019", is 6 amended to read as follows:

§ 29. This act shall take effect immediately and shall apply to 7 8 actions and proceedings commenced on or after such effective date; 9 provided, however, that sections three, six and seven shall take effect 10 on the one hundred twentieth day after this act shall have become a law; provided, further, that section twenty-five of this act shall take 11 effect on the thirtieth day after this act shall have become a law and 12 shall apply to any lease or rental agreement or renewal of a lease or 13 14 rental agreement entered into on or after such date; and, provided, 15 further, [section] sections five, fourteen, sixteen and seventeen of 16 this act shall take effect on the thirtieth day after this act shall 17 have become a law.

18 § 35. Paragraph 2 of subdivision y of section 233 of the real property 19 law, as added by section 9 of part 0 of chapter 36 of the laws of 2019, 20 is amended to read as follows:

21 2. Every rent-to-own contract shall be in writing and clearly state all terms, including but not limited to: a description of the home to be 22 leased, including the name of the manufacturer, the serial number and 23 the year of manufacture; the site number upon which the home is located 24 25 in the manufactured home park; an itemized statement of any payments to 26 be made during the term of the contract, including the initial lot rent, 27 the rental amount for the home, and the amount of the rent-to-own payments; the term of the agreement; the number of payments, itemized, 28 29 required to be made over the term of the agreement; [the annual percent-30 age rate of the amount financed] any lien or security interest encumber-31 ing the manufactured or mobile home, if applicable; and the amount of 32 any additional fees to be paid during the term. A rent-to-own contract 33 shall not require a manufactured home tenant to pay any additional fees 34 for transfer of ownership at the end of the lease period. A rent-to-own 35 contract shall provide that where the rent-to-own tenant pays all rent-36 to-own payments and other fees established in the contract during the 37 lease term, title transferred at the end of the lease term shall be free 38 of superior interests, liens or encumbrances.

39 § 36. Subparagraph 5 of the second undesignated paragraph of paragraph 40 (a) of subdivision 4 of section 4 of chapter 274 of the laws of 1946, 41 constituting the emergency housing rent control law, as amended by 42 section 25 of part B of chapter 97 of the laws of 2011, is amended to 43 read as follows:

44 (5) the landlord and tenant by mutual voluntary written informed 45 agreement agree to a substantial increase or decrease in dwelling space 46 [or a change in the services], furniture, furnishings or equipment 47 provided in the housing accommodations; provided that an owner shall be entitled to a rent increase where there has been a substantial modifica-48 49 tion or increase of dwelling space [or an increase in the services], or installation of new equipment or improvements or new furniture or 50 51 furnishings provided in or to a tenant's housing accommodation. The [permanent] temporary increase in the maximum rent for the affected 52 53 housing accommodation shall be [one-fortieth] one-one hundred sixty-54 eighth, in the case of a building with thirty-five or fewer housing accommodations, or [one-sixticth] one-one hundred eightieth, in the case 55 56 of a building with more than thirty-five housing accommodations where

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such [permanent] increase takes effect on or after [September twenty-1 2 fourth, two thousand eleven, of the total cost incurred by the landlord in providing such modification or increase in dwelling space, services, 3 furniture, furnishings or equipment, including the cost of installation, 4 5 but excluding finance charges provided ] the effective date of the chapб ter of the laws of two thousand nineteen that amended this subparagraph, 7 of the total actual cost incurred by the landlord up to fifteen thousand 8 dollars in providing such reasonable and verifiable modification or 9 increase in dwelling space, furniture, furnishings, or equipment, 10 including the cost of installation but excluding finance charges and any 11 costs that exceed reasonable costs established by rules and regulations promulgated by the division of housing and community renewal. Such rules 12 13 and regulations shall include: (i) requirements for work to be done by 14 licensed contractors and a prohibition on common ownership between the 15 landlord and the contractor or vendor; and (ii) a requirement that the 16 owner resolve within the dwelling space all outstanding hazardous or 17 immediately hazardous violations of the uniform fire prevention and building code (Uniform Code), New York city fire code, or New York city 18 19 building and housing maintenance codes, if applicable. Provided further 20 that an owner who is entitled to a rent increase pursuant to this clause 21 shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the 22 useful life of such new equipment, or new furniture or furnishings. 23 Provided further that the recoverable costs incurred by the landlord, 24 25 pursuant to this subparagraph, shall be limited to an aggregate cost of 26 fifteen thousand dollars that may be expended on no more than three 27 separate individual apartment improvements in a fifteen year period 28 beginning with the first individual apartment improvement on or after 29 June fourteenth, two thousand nineteen. Provided further that increases 30 to the legal regulated rent pursuant to this paragraph shall be removed 31 from the legal regulated rent thirty years from the date the increase 32 became effective inclusive of any increases granted by the applicable 33 rent guidelines board. The owner shall give written notice to the 34 commission of any such adjustment pursuant to this clause; or 35 § 37. Severability clause. If any clause, sentence, paragraph, subdi-36 vision, or section of this act shall be adjudged by any court of compe-37 tent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its opera-38 tion to the clause, sentence, paragraph, subdivision, section or part 39 thereof directly involved in the controversy in which such judgment 40 41 shall have been rendered. It is hereby declared to be the intent of the 42 legislature that this act would have been enacted even if such invalid 43 provisions had not been included herein. 44 38. This act shall take effect immediately and shall be deemed to S 45 have been in full force and effect on the same date and in the same 46 manner as chapter 36 of the laws of 2019 took effect; provided, further 47 that: 48 (a) the amendments to chapter 4 of title 26 of the administrative code of the city of New York made by sections one, twelve, fourteen, nine-49 50 teen, twenty-one and twenty-eight of this act shall expire on the same 51 date as such chapter expires and shall not affect the expiration of such 52 chapter as provided under section 26-520 of such law; and 53 (b) the amendments to sections 26-405 and 26-405.1 of the city rent 54 and rehabilitation law made by sections twenty, twenty-two and twenty-55 seven of this act shall remain in full force and effect only as long as 56 the public emergency requiring the regulation and control of residential

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1 rents and evictions continues, as provided in subdivision 3 of section 1
2 of the local emergency housing rent control act; and

3 (c) sections thirty-one, thirty-two and thirty-three of this act shall 4 take effect on the same date and in the same manner as sections 3, 6 and 5 7 of part M of chapter 36 of the laws of 2019, enacting the "statewide 6 housing security and tenant protection act of 2019", takes effect and 7 shall apply to actions and proceedings commenced on or after such effec-8 tive date; and

9 (d) section thirty-five of this act shall take effect on the same date 10 and in the same manner as section 9 of part 0 of chapter 36 of the laws 11 of 2019.