STATE OF NEW YORK

8413--A

2019-2020 Regular Sessions

IN ASSEMBLY

June 16, 2019

Introduced by M. of A. CYMBROWITZ -- read once and referred to the Committee on Codes -- reported and referred to the Committee on Rules -- Rules Committee discharged, bill amended, ordered reprinted as amended and recommitted to the Committee on Rules

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 secu-

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

LBD13412-06-9

3

7

8

9

10

11 12

13

14 15

16

17

18

19

20

21

rity and tenant protection act of 2019", in relation to the effectiveness of certain provisions thereof; to amend the real property law, in 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:

Section 1. Subdivision j of section 26-510 of the administrative code of the city of New York, as added by section 1 of part C of chapter 36 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.
- § 2. Subdivision e 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 added by section 2 of part C of chapter 36 of the 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. [Gounty rent] 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 section 3 of part C of chapter 36 of the laws of 2019, is amended to read as follows:

22 A county rent guidelines board shall establish annual guidelines 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 emergency has been declared pursuant to this act shall be adjusted, 27 shall consider among other things (1) the economic condition of the residential real estate industry in the affected area including such 28 29 factors as the prevailing and projected (i) real estate taxes and sewer 30 and water rates, (ii) gross operating maintenance costs (including 31 insurance rates, governmental fees, cost of fuel and labor costs), (iii) 32 costs and availability of financing (including effective rates of inter-33 est), (iv) over-all supply of housing accommodations and over-all vacancy rates, (2) relevant data from the current and projected cost of 35 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 37 file with the state division of housing and community renewal its find-38 39 ings for the preceding calendar year, and shall accompany such findings 40 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, 41 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

7

8

9

10

11

12 13

14

15

16

17

18

19 20

21

22

23 24

25

26

27

28 29

31

37

38

39 40

41

42

43

44

45

46

47

48

49

50 51

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 3 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 6 chapter.

- § 4. Section 5 of 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, is amended to read as follows:
- This act shall take effect immediately; provided, further, that the amendments to section 26-510 of chapter 4 of title 26 of the administrative code of the city of New York made by sections one and four 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.
- Section 6 of 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, is amended to read as follows:
- § 6. Paragraph 12 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, is REPEALED.
- § 6. Section 7 of part D of chapter 36 of the laws of 2019 amending the emergency tenant protection act of nineteen seventy-four, relating 30 to vacancies in certain housing accommodations, is amended to read as follows:
- 32 7. Section 5-a of section 4 of chapter 576 of the laws of 1974, 33 constituting the emergency tenant protection act of nineteen seventy-34 four, is REPEALED.
- 7. 35 Section 26-403.1 of the administrative code of the city of New 36 York is REPEALED.
 - § 8. Subparagraph (j) of paragraph 2 of subdivision (e) of section 26-403 of the administrative code of the city of New York is REPEALED.
 - § 9. Section 2-a of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, is REPEALED.
 - § 10. Section 8 of 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, is amended to read as follows:
 - This act shall take effect immediately; provided however, that § 8. (i) any unit that was lawfully deregulated prior to June 14, 2019 shall remain deregulated; and (ii) a market rate unit in a multiple dwelling which receives benefits pursuant to subdivision 16 of section 421-a of the real property tax law shall be subject to the deregulation provisions of rent stabilization as provided by law prior to June 14, 2019.
- 11. Subdivision (a-2) of section 10 of section 4 of chapter 576 of 52 53 the laws of 1974, constituting the emergency tenant protection act of 54 nineteen seventy-four, as amended by section 1 of part E of chapter 36 55 of the laws of 2019, is amended to read as follows:

32

33

34

35

36

38

39

41 42

44

45

46

47

48

49 50

52

(a-2) Where the amount of rent charged to and paid by the tenant is less than the legal regulated rent for the housing accommodation, the 3 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 previously established legal regulated rent, as adjusted by the most recent applicable guidelines increases and other increases authorized by 7 [Any] For 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 9 amended this subdivision, or is or was entitled to receive a renewal or 10 vacancy lease on or after such date, upon renewal of such lease, the 11 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 12 13 prior to that renewal, as adjusted by the most recent applicable guide-14 lines increases and any other increases authorized by law. Provided, 15 however, that for buildings that are subject to this statute by virtue 16 of a regulatory agreement with a local government agency and which 17 buildings receive federal project based rental assistance administered by the United States department of housing and urban development or a 18 19 state or local section eight administering agency, where the rent set by 20 the federal, state or local governmental agency is less than the legal 21 regulated rent for the housing accommodation, the amount of rent for such housing accommodation which may be charged with the approval of 22 23 such federal, state or local governmental agency upon renewal or upon 24 vacancy thereof, may be based upon such previously established legal 25 regulated rent, as adjusted by the most recent applicable guidelines 26 increases or other increases authorized by law; and further provided 27 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 28 with the warranty of habitability set forth in subdivision one of 29 30 section two hundred thirty-five-b of the real property law. 31

§ 12. Paragraph 14 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 2 of part E of chapter 36 of the laws of 2019, is amended to read as follows:

(14) where the amount of rent charged to and paid by the tenant less than the legal regulated rent for the housing accommodation, the 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 previously established legal regulated rent, as adjusted by the most recent applicable guidelines increases and any other increases authorized by law. [Any For any tenant who is subject to a lease on or after 40 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 43 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 guideincreases 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 51 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 54 regulated rent for the housing accommodation, the amount of rent for 55 such housing accommodation which may be charged with the approval such federal, state or local governmental agency upon renewal or upon

8

9

10

11

25

26

27

28

29

30

31

32

34 35

36

38

39

40

41

42

43

44 45

46

47

1 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 3 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. 7

- § 13. Paragraph 9 of subdivision a of section 12 of section 4 of chap-576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, as added by section 2 of part F of chapter 36 of the laws of 2019, is amended to read as follows:
- (9) The division of housing and community renewal and the courts, in 12 13 investigating complaints of overcharge and in determining legal regu-14 lated rents, shall consider all available rent history which is reason-15 ably necessary to make such determinations, including but not limited to 16 (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 17 18 19 registration refers; (b) any order issued by any state, municipal or 20 federal agency; (c) any records maintained by the owner or tenants; and 21 (d) any public record kept in the regular course of business by any 22 state, municipal or federal agency. Nothing contained in this paragraph shall limit the examination of rent history relevant to a determination 23 24 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 33 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
 seven of this act, 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, 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
- 48 (viii) the amount of the legal regulated rent where the apartment was 49 vacant or temporarily exempt on the date six years prior to a tenant's 50 complaint.
- 51 § 14. Subparagraph (b) of paragraph 9 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by 52 53 section 2 of part I of chapter 36 of the laws of 2019, is amended to 54 read as follows:
- 55 (b) where he or she seeks to recover possession of one dwelling unit 56 because of immediate and compelling necessity for his or her own

39

40 41

42

43

44

45

46

47

48 49

50

51

52

54

55

1 personal use and occupancy as his or her primary residence or for the use and occupancy of a member of his or her immediate family as his or 3 her primary residence, provided however, that this subparagraph shall permit recovery of only one dwelling unit and shall not apply where a tenant or the spouse of a tenant lawfully occupying the dwelling unit is sixty-two years of age or older, has been a tenant in a dwelling unit in that building for fifteen years or more, or has an impairment which results from anatomical, physiological or psychological conditions, 7 9 other than addiction to alcohol, gambling, or any controlled substance, 10 which are demonstrable by medically acceptable clinical and laboratory 11 diagnostic techniques, and which are expected to be permanent and which 12 prevent the tenant from engaging in any substantial gainful employment, 13 unless such owner offers to provide and if requested, provides an equiv-14 alent or superior housing accommodation at the same or lower stabilized 15 in a closely proximate area. The provisions of this subparagraph 16 shall only permit one of the individual owners of any building to 17 recover possession of one dwelling unit for his or her own personal use 18 and/or for that of his or her immediate family. A dwelling unit recov-19 ered by an owner pursuant to this subparagraph shall not for a period of 20 three years be rented, leased, subleased or assigned to any person other 21 than a person for whose benefit recovery of the dwelling unit is permitted pursuant to this subparagraph or to the tenant in occupancy at the 22 time of recovery under the same terms as the original lease; provided, 23 however, that a tenant required to surrender a [housing accommodation by 24 virtue of the operation of subdivision g or h of section 26-408 of this 25 26 title] dwelling unit under this subparagraph shall have a cause of 27 action in any court of competent jurisdiction for damages, declaratory, 28 and injunctive relief against a landlord or purchaser of the premises 29 who makes a fraudulent statement regarding a proposed use of the housing 30 accommodation. In any action or proceeding brought pursuant to this 31 subparagraph a prevailing tenant shall be entitled to recovery of actual 32 damages, and reasonable attorneys' fees. This subparagraph shall not be 33 deemed to establish or eliminate any claim that the former tenant of the 34 dwelling unit may otherwise have against the owner. Any such rental, 35 lease, sublease or assignment during such period to any other person may 36 be subject to a penalty of a forfeiture of the right to any increases in 37 residential rents in such building for a period of three years; or 38

§ 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 and villages, the state division of housing and community renewal shall be empowered to implement this act by appropriate regulations. Such regulations may encompass such speculative or manipulative practices or renting or leasing practices as the state division of housing and community renewal determines constitute or are likely to cause circumvention of this act. Such regulations shall prohibit practices which are likely to prevent any person from asserting any right or remedy granted by this act, including but not limited to retaliatory termination of periodic 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 or mortgage commitment existing as of the local effective date of this act provides that the owner shall not grant a one-year lease; and shall prescribe standards with respect to the terms and conditions of new and renewal leases, additional rent and such related matters as security

30

31

32

1 deposits, advance rental payments, the use of escalator clauses in leases and provision for increase in rentals for garages and other ancillary facilities, so as to [insure] ensure that the level of rent adjustments 3 authorized under this law will not be subverted and made ineffective. Any provision of the regulations permitting an owner to refuse to renew a lease on grounds that the owner seeks to recover possession of a hous-7 ing accommodation for his or her own use and occupancy or for the use and occupancy of his or her immediate family shall permit recovery of 8 9 only one housing accommodation, shall require that an owner demonstrate 10 immediate and compelling need and that the housing accommodation will be 11 the proposed occupants' primary residence and shall not apply where a 12 member of the housing accommodation is sixty-two years of age or older, 13 has been a tenant in a housing accommodation in that building for 14 fifteen years or more, or has an impairment which results from anatom-15 ical, physiological or psychological conditions, other than addiction to 16 alcohol, gambling, or any controlled substance, which are demonstrable 17 by medically acceptable clinical and laboratory diagnostic techniques, 18 and which are expected to be permanent and which prevent the tenant from 19 engaging in any substantial gainful employment; provided, however, that 20 a tenant required to surrender a housing accommodation [by virtue of the 21 operation of subdivision g or h of section 26-408 of the administrative code of the city of New York under this subdivision shall have a cause 22 of action in any court of competent jurisdiction for damages, declarato-23 ry, and injunctive relief against a landlord or purchaser of the prem-24 25 ises who makes a fraudulent statement regarding a proposed use of the 26 housing accommodation. In any action or proceeding brought pursuant to 27 this subdivision a prevailing tenant shall be entitled to recovery of 28 actual damages, and reasonable attorneys' fees. 29

§ 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:

33 (a) the landlord seeks in good faith to recover possession of a hous-34 ing accommodation because of immediate and compelling necessity for his 35 or her own personal use and occupancy as his or her primary residence or 36 for the use and occupancy of his or her immediate family as their prima-37 ry residence; provided, however, this subdivision shall permit recovery 38 only one housing accommodation and shall not apply where a member of 39 the household lawfully occupying the housing accommodation is sixty-two years of age or older, has been a tenant in a housing accommodation in 40 41 that building for fifteen years or more, or has an impairment which 42 results from anatomical, physiological or psychological conditions, 43 other than addiction to alcohol, gambling, or any controlled substance, 44 which are demonstrable by medically acceptable clinical and laboratory 45 diagnostic techniques, and which are expected to be permanent and which 46 prevent the tenant from engaging in any substantial gainful employment; 47 provided, however, that a tenant required to surrender a housing accom-48 modation [by virtue of the operation of subdivision g or h of section 26-408 of the administrative code of the city of New York] under this 49 50 paragraph shall have a cause of action in any court of competent juris-51 diction for damages, declaratory, and injunctive relief against a land-52 lord or purchaser of the premises who makes a fraudulent statement regarding a proposed use of the housing accommodation. In any action or 54 proceeding brought pursuant to this paragraph a prevailing tenant shall 55 be entitled to recovery of actual damages, and reasonable attorneys' 56 fees; or

3

6

7

8

9

10

11

12 13

14

15

16

17

18 19

20

21

22

23

24 25

26

27

28

29 30

31

32

33

34

35

36

37

38

39

40

41 42

43

44

45

46

47

48

49

50 51

52

54

55

17. Paragraphs 6 and 10 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 6 as amended by chapter 403 of the laws of 1983 and paragraph 10 as amended by section 1 of part J of chapter 36 of the laws of 2019, are amended to read as follows:

- (6) housing accommodations owned or operated by a hospital, convent, monastery, asylum, public institution, or college or school dormitory or any institution operated exclusively for charitable or educational purposes on a non-profit basis other than (i) those accommodations occupied by a tenant on the date such housing accommodation is acquired by any such institution, or which are occupied subsequently by a tenant who is not affiliated with such institution at the time of his initial occuor (ii) permanent housing accommodations with government contracted services, as of and after June fourteenth, two thousand nineteen, to vulnerable individuals or individuals with disabilities who are or were homeless or at risk of homelessness; provided, however, that the terms of leases in existence as of June fourteenth, two thousand nineteen, shall only be affected upon lease renewal, and further provided that upon the vacancy of such housing accommodations, the legal regulated rent for 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;
- (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 the 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, the legal regulated rent for 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;
- § 18. 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 1 of part K of chapter 36 of the laws of 2019, is amended to read as follows:
- (1) there has been a substantial modification or increase of dwelling space, 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 temporary increase in the legal regulated rent for the affected housing accommodation shall be one-one hundred sixty-eighth, in the 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 thirty-five housing accommodations where such increase takes effect on or after 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, 56 furnishings, or equipment, including the cost of installation but

25

26

27

1 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: 3 (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 7 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 9 10 Maintenance Codes, if applicable. Provided further that an owner who is 11 entitled to a rent increase pursuant to this paragraph shall not be 12 entitled to a further rent increase based upon the installation of simi-13 lar equipment, or new furniture or furnishings within the useful life of 14 such new equipment, or new furniture or furnishings. Provided further 15 that the recoverable costs incurred by the landlord, pursuant to this paragraph, shall be limited to an aggregate cost of fifteen thousand 16 dollars that may be expended on no more than three separate individual 17 apartment improvements in a fifteen year period beginning with the first 18 19 individual apartment improvement on or after June fourteenth, two thou-20 sand nineteen. Provided further that increases to the legal regulated 21 rent pursuant to this paragraph shall be removed from the legal requlated rent thirty years from the date the increase became effective 22 23 inclusive of any increases granted by the applicable rent guidelines 24 board.

§ 19. Paragraph 13 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 2 of part K of chapter 36 of the laws of 2019, is amended to read as follows:

28 (13) provides that an owner is entitled to a rent increase where there 29 has been a substantial modification or increase of dwelling space, or 30 installation of new equipment or improvements or new furniture or 31 furnishings provided in or to a tenant's housing accommodation, on written informed tenant consent to the rent increase. In the case of a 32 33 vacant housing accommodation, tenant consent shall not be required. The 34 temporary increase in the legal regulated rent for the affected housing 35 accommodation shall be one-one hundred sixty-eighth, in the case of a 36 building with thirty-five or fewer housing accommodations or one-one 37 hundred eightieth in the case of a building with more than thirty-five 38 housing accommodations where such increase takes effect on or after the effective date of the chapter of the laws of two thousand nineteen that 39 amended this paragraph, of the total actual cost incurred by the land-40 41 lord in providing such reasonable and verifiable modification or 42 increase in dwelling space, furniture, furnishings, or equipment, 43 including the cost of installation but excluding finance charges and any 44 costs that exceed reasonable costs established by rules and regulations 45 promulgated by the division of housing and community renewal. Such rules 46 and regulations shall include: (i) requirements for work to be done by 47 licensed contractors and prohibit common ownership between the landlord 48 and the contractor or vendor; and (ii) a requirement that the owner resolve within the dwelling space all outstanding hazardous or imme-49 diately hazardous violations of the Uniform Fire Prevention and Building 50 51 Code (Uniform Code), New York City Fire Code, or New York City Building 52 and Housing Maintenance Codes, if applicable. Provided further that an owner who is entitled to a rent increase pursuant to this paragraph 54 shall not be entitled to a further rent increase based upon the instal-55 lation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings.

11

12

13

14

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 beginning with the first individual apartment improvement on or after June fourteenth, two thousand nineteen. 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.

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

21

22

23

24 25

26

27

28 29

30

31

32 33

34

35 36

37

38

39 40

41

42

43 44

45

46

47

48

49

50 51

52

- (8) establish that temporary major capital improvement increases shall be collectible prospectively on the first day of the first month beginning sixty days from the date of mailing notice of approval to the 3 4 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 improvement increase shall not include retroactive payments. The collection of 7 any increase shall not exceed two percent in any year from the effective 9 date of the order granting the increase over the rent set forth in the 10 schedule of gross rents, with collectability of any dollar excess above 11 said sum to be spread forward in similar increments and added to the rent as established or set in future years. Upon vacancy, the landlord 12 13 may add any remaining balance of the temporary major capital improvement 14 increase to the legal regulated rent. Notwithstanding any 15 provision of the law, for any renewal lease commencing on or after June 16 14, 2019, the collection of any rent increases due to any major capital 17 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-18 19 ber 1, 2019 for any tenant in occupancy on the date the major capital 20 improvement was approved;
 - (12) establish a form in the top six languages other than English spoken in the state according to the latest available data from the U.S. Bureau of Census 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. consent shall be executed in the tenant's primary language.] Such form shall be completed and preserved in the centralized electronic retention 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 documentation of all improvements performed or any rent increases resulting from said improvements.
 - 22. Paragraphs 8 and 12 of subdivision a of section 26-405.1 of the administrative code of the city of New York, as added by section 5 part K of chapter 36 of the laws of 2019, are amended to read as follows:
- (8) establish that temporary major capital improvement increases shall be collectible prospectively on the 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 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 improvement increase shall not include retroactive payments. The collection of 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 schedule of gross rents, with collectability of any dollar excess above said sum to be spread forward in similar increments and added to the rent as established or set in future years. Upon vacancy, the landlord may add any remaining balance of the temporary major capital improvement increase to the legal regulated rent. Notwithstanding any provision of the law, for any renewal lease commencing on or after June 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 54 shall not exceed two percent in any year [beginning on or after Septem-55 ber 1, 2019] for any tenant in occupancy on the date the major capital improvement was approved;

1

3

7

9

10

11

12 13

14

15

16

17

18

26

37

38

39 40

41 42

43

44

45

46

47

48

49

50 51

52

53

54

- establish a form in the top six languages other than English spoken in the state according to the latest available data from the U.S. Bureau of Census 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. consent shall be executed in the tenant's primary language.] Such form shall be completed and preserved in the centralized electronic retention 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 documentation of all improvements performed or any rent increases resulting from said improvements.
- § 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 tenant protection act of nineteen seventy-four, as added by section 6 of part K of chapter 36 of the laws of 2019, are amended to read as follows:
- 8. establish that temporary major capital improvement increases shall 19 be collectible prospectively on the first day of the first month begin-20 ning sixty days from the date of mailing notice of approval to the 21 tenant. Such notice shall disclose the total monthly increase in rent 22 and the first month in which the tenant would be required to pay the temporary increase. An approval for a temporary major capital improve-23 24 ment increase shall not include retroactive payments. The collection of 25 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 27 schedule of gross rents, with collectability of any dollar excess above 28 said sum to be spread forward in similar increments and added to the 29 rent as established or set in future years. Upon vacancy, the landlord 30 may add any remaining balance of the temporary major capital improvement 31 increase to the legal regulated rent. Notwithstanding any other 32 provision of the law, for any renewal lease commencing on or after June 33 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 34 35 shall not exceed two percent in any year [beginning on or after Septem-36 ber 1, 2019] for any tenant in occupancy on the date the major capital improvement was approved;
 - 12. establish a form in the top six languages other than English spoken in the state according to the latest available data from the U.S. Bureau of Census 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. consent shall be executed in the tenant's primary language.] Such form shall be completed and preserved in the centralized electronic retention 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 documentation of all improvements performed or any rent increases resulting from said improvements.
 - § 24. Paragraphs (h) and (l) of subdivision 1 of section 8-a of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, as added by section 7 of part K of chapter 36 of the laws of 2019, are amended to read as follows:
- (h) establish that temporary major capital improvement increases shall 55 be collectible prospectively on the first day of the first month beginning sixty days from the date of mailing notice of approval to the

18

19

20

21

22

23

24

25 26

27

28

29

30

31

32

33

34

35

36

37

38

39

40 41

42

43

44

45

46

47

48

49 50

51

52

53

54

55

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-3 ment increase shall not include retroactive payments. The collection of 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 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 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 increases 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;

(1) establish a form in the top six languages other than English spoken in the state according to the latest available data from the U.S. Bureau of Census 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 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 documentation of all improvements performed or any rent increases resulting from said improvements.

§ 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:

(7) there has been since March first, nineteen hundred fifty, a major improvement essential for the preservation, energy efficiency, functionality, or infrastructure of the entire building, improvement of the structure including heating, windows, plumbing and roofing, but shall not be for operational costs or unnecessary cosmetic improvements; which for any order of the commissioner issued after the effective date the chapter of the laws of two thousand nineteen that amended this paragraph the cost of such improvement shall be amortized over a twelveyear period for buildings with thirty-five or fewer units or a twelve and one-half year period for buildings with more than thirty-five units, and 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. Temporary major capital improvement increases shall be collectible prospectively on the 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 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 capital improvement increase shall not include retroactive payments. The collection of 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 schedule of gross rents, with collectability

11

12 13

14

50 51

52

53

54

55

of any dollar excess above said sum to be spread forward in similar increments and added to the rent as established or set in future years. Upon vacancy, the landlord may add any remaining balance of the tempo-temporary major capital improvement increase to the legal regulated rent. Notwithstanding any other provision of the law, for any renewal lease commencing on or after June 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 shall not exceed two percent in any year [beginning on or after September 1, 2019] for any tenant in occupancy on the date the major capital improvement was approved; or

- § 26. Paragraph 3 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 9 of part K of chapter 36 of the laws of 2019, is amended to read as follows:
- 15 (3) there has been since January first, nineteen hundred seventy-four 16 a major capital improvement essential for the preservation, energy effi-17 ciency, functionality, or infrastructure of the entire building, 18 improvement of the structure including heating, windows, plumbing and roofing, but shall not be for operation costs or unnecessary cosmetic 19 20 improvements. An adjustment under this paragraph shall be in an amount 21 sufficient to amortize the cost of the improvements pursuant to this paragraph over a twelve-year period for a building with thirty-five or 22 fewer housing accommodations, or a twelve and one-half period for a 23 building with more than thirty-five housing accommodations and shall be 24 25 removed from the legal regulated rent thirty years from the date the 26 increase became effective inclusive of any increases granted by the 27 applicable rent guidelines board, for any determination issued by the division of housing and community renewal after the effective date of 28 29 the chapter of the laws of two thousand nineteen that amended this paragraph[+ the]. Temporary major capital improvement increases shall be 30 collectable prospectively on the first day of the first month beginning 31 32 sixty days from the date of mailing notice of approval to the tenant. 33 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 34 35 increase. An approval for a temporary major capital improvement increase 36 shall not include retroactive payments. The collection of any increase 37 shall not exceed two percent in any year from the effective date of the 38 order granting the increase over the rent set forth in the schedule of 39 gross rents, with collectability of any dollar excess above said sum to spread forward in similar increments and added to the rent as estab-40 41 lished or set in future years. Upon vacancy, the landlord may add any 42 remaining balance of the temporary major capital improvement increase to 43 the legal regulated rent. Notwithstanding any other provision of the law, the collection of any rent increases for any renewal lease commenc-44 45 ing on or after June 14, 2019, due to any major capital improvements 46 approved on or after June 16, 2012 and before June 16, 2019 shall not 47 exceed two percent in any year [beginning on or after September 1, 2019] for any tenant in occupancy on the date the major capital improvement 48 49 was approved, or
 - § 27. Subparagraph (g) of paragraph 1 of subdivision g of section 26-405 of the administrative code of the city of New York, as amended by section 10 of part K of chapter 36 of the laws of 2019, is amended to read as follows:
 - (g) There has been since July first, nineteen hundred seventy, a major 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 shall not be for operational costs or unnecessary cosmetic improvements. The 3 temporary increase based upon a major capital improvement under this subparagraph for any order of the commissioner issued after the effective date of the chapter of the laws of two thousand nineteen that amended this subparagraph shall be in an amount sufficient to amortize 7 the cost of the improvements pursuant to this subparagraph (g) over a twelve-year period for buildings with thirty-five or fewer units or a 9 twelve and one-half year period for buildings with more than thirty-five 10 units, and shall be removed from the legal regulated rent thirty years 11 from the date the increase became effective inclusive of any increases granted by the applicable rent guidelines board. Temporary major capi-12 13 tal improvement increases shall be collectible prospectively on the 14 first day of the first month beginning sixty days from the date of mail-15 ing notice of approval to the tenant. Such notice shall disclose the 16 total monthly increase in rent and the first month in which the tenant 17 would be required to pay the temporary increase. An approval for a temporary major capital improvement increase shall not include retroac-18 tive payments. The collection of any increase shall not exceed two 19 20 percent in any year from the effective date of the order granting the 21 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 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 25 of the temporary major capital improvement increase to the legal regu-26 lated rent. Notwithstanding any other provision of the law, for any 27 renewal lease commencing on or after June 14, 2019, the collection of any rent increases due to any major capital improvements approved on or 28 29 after June 16, 2012 and before June 16, 2019 shall not exceed two 30 percent in any year [beginning on or after September 1, 2019] for any 31 tenant in occupancy on the date the major capital improvement was 32 approved, or 33

- § 28. Paragraph 6 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 11 of part K of chapter 36 of the laws of 2019, is amended to read as follows:
- 36 (6) provides criteria whereby the commissioner may act upon applica-37 tions by owners for increases in excess of the level of fair rent 38 increase established under this law provided, however, that such crite-39 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 40 41 maintain approximately the same average annual net income (which shall 42 computed without regard to debt service, financing costs or manage-43 ment fees) for the three year period ending on or within six months of 44 the date of an application pursuant to such criteria as compared with 45 annual net income, which prevailed on the average over the period nine-46 teen hundred sixty-eight through nineteen hundred seventy, or for the 47 first three years of operation if the building was completed since nineteen hundred sixty-eight or for the first three fiscal years after a 48 transfer of title to a new owner provided the new owner can establish to 49 50 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 51 52 that the new owner is unable to obtain requisite records for the fiscal years nineteen hundred sixty-eight through nineteen hundred seventy 54 despite diligent efforts to obtain same from predecessors in title and 55 further provided that the new owner can provide financial data covering 56 a minimum of six years under his or her continuous and uninterrupted

1 operation of the building to meet the three year to three year comparative test periods herein provided; and (b) as to completed buildingwide 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 a twelve-year period for a building with thirty-five or fewer housing accommodations, or a twelve and one-half-year 7 period for a building with more than thirty-five housing accommodations, for any determination issued by the division of housing and community 9 renewal after the effective date of the the chapter of the laws of 10 thousand nineteen that amended this paragraph and shall be removed from 11 the legal regulated rent thirty years from the date the increase became effective inclusive of any increases granted by the applicable rent 12 13 guidelines board. Temporary major capital improvement increases shall 14 be collectible prospectively on the first day of the first month begin-15 ning sixty days from the date of mailing notice of approval to the 16 tenant. Such notice shall disclose the total monthly increase in rent 17 and the first month in which the tenant would be required to pay the temporary increase. An approval for a temporary major capital improve-18 19 ment increase shall not include retroactive payments. The collection of 20 any increase shall not exceed two percent in any year from the effective 21 of the order granting the increase over the rent set forth in the 22 schedule of gross rents, with collectability of any dollar excess above said sum to be spread forward in similar increments and added to the 23 rent as established or set in future years. Upon vacancy, the landlord 24 25 may add any remaining balance of the temporary major capital improvement 26 to the legal regulated rent. Notwithstanding any other 27 provision of the law, for any renewal lease commencing on or after June 14, 2019, the collection of any rent increases due to any major capital 28 improvements approved on or after June 16, 2012 and before June 16, 2019 29 30 shall not exceed two percent in any year [beginning on or after Septem-31 ber 1, 2019 for any tenant in occupancy on the date the major capital 32 improvement was approved or based upon cash purchase price exclusive of 33 interest or service charges. Notwithstanding anything to the contrary 34 contained herein, no hardship increase granted pursuant to this para-35 graph shall, when added to the annual gross rents, as determined by the 36 commissioner, exceed the sum of, (i) the annual operating expenses, (ii) 37 an allowance for management services as determined by the commissioner, 38 (iii) actual annual mortgage debt service (interest and amortization) on its indebtedness to a lending institution, an insurance company, a 39 40 retirement fund or welfare fund which is operated under the supervision the banking or insurance laws of the state of New York or the United 41 States, and (iv) eight and one-half percent of that portion of the fair 42 43 market value of the property which exceeds the unpaid principal amount 44 of the mortgage indebtedness referred to in subparagraph (iii) of 45 paragraph. Fair market value for the purposes of this paragraph shall be 46 six times the annual gross rent. The collection of any increase in the 47 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 49 50 rents, with collectability of any dollar excess above said sum to be 51 spread forward in similar increments and added to the stabilized rent as 52 established or set in future years;

§ 29. Subdivision (c) of section 18 of part K of chapter 36 of 54 laws of 2019, amending the emergency tenant protection act of nineteen seventy-four and other laws relating to a temporary increase in rent certain cases, is amended to read as follows:

53

55

3

4

6

7 8

9

10

(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 directed to be made immediately and completed on or before [such effective date] June 14, 2020, provided however that in the absence of such rules and regulations, the division shall immediately commence and continue implementation of all provisions of this act.

- § 30. Subdivision 2 of section 20 of the public housing law, as added by section 2 of part L of chapter 36 of the laws of 2019, is amended to read as follows:
- 11 The commissioner shall, on or before December thirty-first, two thousand nineteen, and on or before December thirty-first in each subse-12 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 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 nineteen hundred forty-six, chapter three hundred twenty-nine of the 18 laws of nineteen hundred sixty-three, chapter five hundred fifty-five of 19 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 the laws of nineteen hundred ninety-seven, sections 26-501, 26-502, and 22 26-520 of the administrative code of the city of New York and the hous-23 ing stability and tenant protection act of 2019. 24 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 regulation; and in tabular format, for each of the three fiscal years 29 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 division, the number of such applications approved as submitted, the 34 35 number of such applications approved with modifications, and the number 36 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 tenant after a vacancy; (ix) the median and mean increase, in dollars 48 and as a percentage, in the registered rent for housing accommodations 49 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 new tenant after a vacancy, where the amount changed 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

16

17

18 19

20

21

22

23

24

29

30

31

32

33 34

35

36

38 39

40

41

43

44

45

46

47

48

1 a vacancy, where the amount changed to and paid by the prior tenant was less than the registered rent; (xii) the number of rent overcharge complaints processed by the division; (xiii) the number of final overcharge orders granting an overcharge; (xiv) the number of investigations commenced by the tenant protection unit, the aggregate number of rent stabilized or rent controlled housing accommodations in each county that 7 were the subject of such investigations, and the dispositions of such 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 figures required to be included in the report, taking any steps neces-12 13 sary to protect confidential information regarding ongoing investigations, individual buildings, housing accommodations, property owners, 14 15 and tenants.

- § 31. Subdivision 2 of section 226-c of the real property law, as added by section 3 of part M of chapter 36 of the laws of 2019, is amended to read as follows:
- 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 residence or the length of the tenancy in each lease, whichever is longer.
- (b) If the tenant has occupied the unit for less than one year and does not have a lease term of at least one year, the landlord shall provide at least thirty days' notice.
- [(b)] (c) If the tenant has occupied the unit for more than one year but less than two years, or has a lease term of at least one year but less than two years, the landlord shall provide at least sixty days' notice.
 - [(a)] (d) If the tenant has occupied the unit for more than two years or has a lease term of at least two years, the landlord shall provide at least ninety days' notice.
 - § 32. Section 232-a of the real property law, as amended by section 6 of part M of chapter 36 of the laws of 2019, is amended to read as follows:
 - § 232-a. Notice to terminate monthly tenancy or tenancy from month to month in the city of New York. No monthly tenant, or tenant from month to month, shall hereafter be removed from any lands or buildings in the city of New York on the grounds of holding over the tenant's term unless pursuant to the notice period required by subdivision two of section two hundred twenty-six-c of this article, or for a tenancy other than a residential tenancy at least thirty days before the expiration of the 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 allowed to be served by law, a notice in writing to the effect that the landlord elects to terminate the tenancy and that unless the tenant removes from such premises on the day designated in the notice, the landlord will commence summary proceedings under the statute to remove such tenant therefrom.
- § 33. Section 232-b of the real property law, as amended by section 7 of part M of chapter 36 of the laws of 2019, is amended to read as 51 follows:
- § 232-b. Notification to terminate monthly tenancy or tenancy from month to month outside the city of New York. A monthly tenancy or tenancy from month to month of any lands or buildings located outside of the city of New York may be terminated by the tenant or for a tenancy other than a residential tenancy the landlord, upon the tenant's or non-resi-

3

7 8

9

10

11

13

15

16

17

18 19

20

21

22

23

25

26

27

29

39

41

42

43

44 45

46

47

49 50

52

1 <u>dential landlord's</u> notifying the landlord <u>or non-residential tenant</u> at least one month before the expiration of the term of the tenant's election to terminate; provided, however, that no notification shall be necessary to terminate a tenancy for a definite term.

- § 34. Section 29 of part M of chapter 36 of the laws of 2019, amending the real property law, and other laws, in relation to enacting the "statewide housing security and tenant protection act of 2019", is amended to read as follows:
- 29. This act shall take effect immediately and shall apply to actions and proceedings commenced on or after such effective date; provided, however, that sections three, six and seven shall take effect 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 14 effect on the thirtieth day after this act shall have become a law and shall apply to any lease or rental agreement or renewal of a lease or rental agreement entered into on or after such date; and, provided, further, [sections] sections five, fourteen, sixteen and seventeen of this act shall take effect on the thirtieth day after this act shall have become a law.
 - § 35. Paragraph 2 of subdivision y of section 233 of the real property law, as added by section 9 of part O of chapter 36 of the laws of 2019, is amended to read as follows:
- 2. Every rent-to-own contract shall be in writing and clearly state 24 all terms, including but not limited to: a description of the home to be leased, including the name of the manufacturer, the serial number and the year of manufacture; the site number upon which the home is located in the manufactured home park; an itemized statement of any payments to 28 be made during the term of the contract, including the initial lot rent, the rental amount for the home, and the amount of the rent-to-own 30 payments; the term of the agreement; the number of payments, itemized, 31 required to be made over the term of the agreement; [the annual percent-32 age rate of the amount financed] any lien or security interest encumber-33 ing the manufactured or mobile home, if applicable; and the amount of any additional fees to be paid during the term. A rent-to-own contract 34 35 shall not require a manufactured home tenant to pay any additional fees 36 for transfer of ownership at the end of the lease period. A rent-to-own 37 contract shall provide that where the rent-to-own tenant pays all rent-38 to-own payments and other fees established in the contract during the lease term, title transferred at the end of the lease term shall be free 40 of superior interests, liens or encumbrances.
 - § 36. Subparagraph 5 of the second undesignated paragraph of paragraph 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 25 of part B of chapter 97 of the laws of 2011, is amended to read as follows:
- (5) the landlord and tenant by mutual voluntary written informed agreement agree to a substantial increase or decrease in dwelling space [or a change in the services], furniture, furnishings or equipment provided in the housing accommodations; provided that an owner shall be entitled to a rent increase where there has been a substantial modifica-51 tion 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. The 54 [permanent] temporary increase in the maximum rent for the affected 55 housing accommodation shall be [one-fortieth] one-one hundred sixtyeighth, in the case of a building with thirty-five or fewer housing

38

39

40 41

42

43 44

45

46

47

48

49 50

51

52

54

55

accommodations, or [one-sixtieth] 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-3 4 fourth, two thousand eleven, of the total cost incurred by the landlord in providing such modification or increase in dwelling space, services, 5 6 furniture, furnishings or equipment, including the cost of installation, but excluding finance charges provided | the effective date of the chap-7 8 ter of the laws of two thousand nineteen that amended this subparagraph, 9 of the total actual cost incurred by the landlord up to fifteen thousand dollars in providing such reasonable and verifiable modification or 10 11 increase in dwelling space, furniture, furnishings, or equipment, including the cost of installation but excluding finance charges and any 12 13 costs that exceed reasonable costs established by rules and regulations 14 promulgated by the division of housing and community renewal. Such rules 15 and regulations shall include: (i) requirements for work to be done by 16 licensed contractors and a prohibition on common ownership between the landlord and the contractor or vendor; and (ii) a requirement that the 17 owner resolve within the dwelling space all outstanding hazardous or 18 immediately hazardous violations of the uniform fire prevention and 19 20 building code (Uniform Code), New York city fire code, or New York city 21 building and housing maintenance codes, if applicable. Provided further 22 that an owner who is entitled to a rent increase pursuant to this clause 23 shall not be entitled to a further rent increase based upon the instal-24 lation of similar equipment, or new furniture or furnishings within the 25 useful life of such new equipment, or new furniture or furnishings. 26 Provided further that the recoverable costs incurred by the landlord, 27 pursuant to this subparagraph, shall be limited to an aggregate cost of fifteen thousand dollars that may be expended on no more than three 28 29 separate individual apartment improvements in a fifteen year period 30 beginning with the first individual apartment improvement on or after 31 June fourteenth, two thousand nineteen. Provided further that increases 32 to the legal regulated rent pursuant to this paragraph shall be removed 33 from the legal regulated rent thirty years from the date the increase became effective inclusive of any increases granted by the applicable 34 35 rent guidelines board. The owner shall give written notice to the 36 commission of any such adjustment pursuant to this clause; or 37

- § 37. Severability clause. If any clause, sentence, paragraph, subdivision, or section of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.
- § 38. This act shall take effect immediately and shall be deemed to have been in full force and effect on the same date and in the same manner as chapter 36 of the laws of 2019 took effect; provided, further that:
- (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, nineteen, twenty-one and twenty-eight of this act shall expire on the same date as such chapter expires and shall not affect the expiration of such chapter as provided under section 26-520 of such law; and
- (b) the amendments to sections 26-405 and 26-405.1 of the city rent and rehabilitation law made by sections twenty, twenty-two and twenty-

seven 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

5 (c) sections thirty-one, thirty-two and thirty-three of this act shall 6 take effect on the same date and in the same manner as sections 3, 6 and 7 of part M of chapter 36 of the laws of 2019, enacting the "statewide 8 housing security and tenant protection act of 2019", takes effect and 9 shall apply to actions and proceedings commenced on or after such effective date; and

11 (d) section thirty-five of this act shall take effect on the same date 12 and in the same manner as section 9 of part O of chapter 36 of the laws 13 of 2019, takes effect.