

# STATE OF NEW YORK

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3572

2019-2020 Regular Sessions

## IN SENATE

February 8, 2019

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Introduced by Sens. SERRANO, HOYLMAN, KRUEGER, SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the administrative code of the city of New York and the emergency tenant protection act of nineteen seventy-four, in relation to limiting rent increase after vacancy of a housing accommodation

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

1 Section 1. Paragraph 5-a of subdivision c of section 26-511 of the  
2 administrative code of the city of New York, as amended by section 16-a  
3 of part A of chapter 20 of the laws of 2015, is amended to read as  
4 follows:

5 (5-a) provides that, notwithstanding any provision of this chapter,  
6 the legal regulated rent for any vacancy lease entered into after the  
7 effective date of this paragraph shall be as hereinafter provided in  
8 this paragraph. The previous legal regulated rent for such housing  
9 accommodation shall be increased by the following: (i) if the vacancy  
10 lease is for a term of two years, [~~twenty~~ ten percent of the previous  
11 legal regulated rent; or (ii) if the vacancy lease is for a term of one  
12 year the increase shall be [~~twenty~~ ten percent of the previous legal  
13 regulated rent less an amount equal to the difference between (a) the  
14 two year renewal lease guideline promulgated by the guidelines board of  
15 the city of New York applied to the previous legal regulated rent and  
16 (b) the one year renewal lease guideline promulgated by the guidelines  
17 board of the city of New York applied to the previous legal regulated  
18 rent. However, where the amount charged and paid by the prior tenant  
19 pursuant to paragraph fourteen of this subdivision, was less than the  
20 legal regulated rent, such increase to the legal regulated rent shall  
21 not exceed: five percent of the previous legal regulated rent if the  
22 last vacancy lease commenced less than two years ago; ten percent of the  
23 previous legal regulated rent if the last vacancy lease commenced less

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

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

32 § 2. Subdivision (a-1) of section 10 of section 4 of chapter 576 of  
33 the laws of 1974, constituting the emergency tenant protection act of  
34 nineteen seventy-four, as amended by section 16-b of part A of chapter  
35 20 of the laws of 2015, is amended to read as follows:

36 (a-1) provides that, notwithstanding any provision of this act, the  
37 legal regulated rent for any vacancy lease entered into after the effec-  
38 tive date of this subdivision shall be as hereinafter set forth. The  
39 previous legal regulated rent for such housing accommodation shall be  
40 increased by the following: (i) if the vacancy lease is for a term of  
41 two years, [~~twenty~~ ten] percent of the previous legal regulated rent; or  
42 (ii) if the vacancy lease is for a term of one year the increase shall  
43 be [~~twenty~~ ten] percent of the previous legal regulated rent less an  
44 amount equal to the difference between (a) the two year renewal lease  
45 guideline promulgated by the guidelines board of the county in which the  
46 housing accommodation is located applied to the previous legal regulated  
47 rent and (b) the one year renewal lease guideline promulgated by the  
48 guidelines board of the county in which the housing accommodation is  
49 located applied to the previous legal regulated rent. However, where the  
50 amount charged and paid by the prior tenant pursuant to paragraph four-  
51 teen of this subdivision, was less than the legal regulated rent, such  
52 increase to the legal regulated rent shall not exceed: five percent of  
53 the previous legal regulated rent if the last vacancy lease commenced  
54 less than two years ago; ten percent of the previous legal regulated  
55 rent if the last vacancy commenced less than three years ago; fifteen  
56 percent of the previous legal regulated rent if the last vacancy lease

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

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