STATE OF NEW YORK

2011

2021-2022 Regular Sessions

IN SENATE

January 16, 2021

Introduced by Sen. JACKSON -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four and the administrative code of the city of New York, in relation to placing limitations on initial regulated rents

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

Section 1. Subdivision b of section 6 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is amended to read as follows:

b. The initial legal regulated rents for housing accommodations in a city having a population of less than one million or a town or village as to which a declaration of emergency has been made pursuant to this act shall be:

(1) For housing accommodations subject to the emergency housing rent control law which become vacant on or after the local effective date of this act, the rent agreed to by the landlord and the tenant and reserved in a lease or provided for in a rental agreement; provided that such initial legal regulated rent **shall not exceed the average rent for a comparable rent regulated housing accommodation, as determined by the rent guidelines board with jurisdiction over such housing accommodation, and** may be adjusted on application of the owner or tenant pursuant to subdivision a of section nine of this act; and provided further that no increase of such initial regulated rent pursuant to annual guidelines adopted by the rent guidelines board shall become effective until the expiration of the first lease or rental agreement taking effect after the local effective date, but in no event before one year from the commencement of such rental agreement.

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

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(2) For all other housing accommodations, the rent reserved in the last effective lease or other rental agreement; provided that an initial rent based upon the rent reserved in a lease or other rental agreement which became effective on or after January first, nineteen hundred seventy-four may be adjusted on application of the tenant pursuant to subdivision b of section nine of this act or on application of either the owner or tenant pursuant to subdivision a of such section; and further provided that if a lease is entered into for such housing accommodations after the local effective date, but before the effective date of the first guidelines applicable to such accommodations, the lease may provide for an adjustment of rent pursuant to such guidelines, to be effective on the first day of the month next succeeding the effective date of such guidelines.

§ 2. Subdivision b of section 26-512 of the administrative code of the city of New York is amended to read as follows:

b. The initial regulated rent for housing accommodations subject to this law on the local effective date of the emergency tenant protection act of nineteen seventy-four or which become subject to this law thereafter, pursuant to such act, shall be:

(1) For housing accommodations which were regulated pursuant to this law or the city rent and rehabilitation law prior to July first, nineteen hundred seventy-one, and which became vacant on or after such date and prior to the local effective date of the emergency tenant protection act of nineteen seventy-four, the rent reserved in the last effective lease or other rental agreement; provided that such initial rent may be adjusted on application of the tenant pursuant to subdivision b of section 26-513 of this chapter.

(2) For housing accommodations which were regulated pursuant to the city rent and rehabilitation law on the local effective date of the emergency tenant protection act of nineteen seventy-four, and thereafter become vacant, the rent agreed to by the landlord and the tenant and reserved in a lease or provided for in a rental agreement; provided that such initial rent **shall not exceed the average rent for a comparable rent regulated housing accommodation, as determined by the commissioner, and** may be adjusted on application of the tenant pursuant to subdivision b of section 26-513 of this chapter.

(3) For housing accommodations other than those described in paragraphs one and two of this subdivision, the rent reserved in the last effective lease or other rental agreement.

(4) For any plot or parcel of land which had been regulated pursuant to the city rent and rehabilitation law prior to July first, nineteen hundred seventy-one and which,

(i) became vacant on or after July first, nineteen hundred seventy-one and prior to July first, nineteen hundred seventy-four, the rent reserved in a lease or other rental agreement in effect on June thirtieth, nineteen hundred seventy-four plus increases authorized by the rent guidelines board under this law for leases or other rental agreements commencing thereafter; provided that such initial rent may be adjusted on application of the tenant pursuant to subdivision b of section 26-513 of this chapter or,

(ii) became vacant on or after July first, nineteen hundred seventy-four, the rent agreed to by the landlord and the tenant and reserved in a lease or other rental agreement plus increases authorized by the rent guidelines board under this law for leases or other rental agreements commencing thereafter; provided that such initial rent **shall not exceed the average rent for a comparable rent regulated housing accommodation,**

as determined by the commissioner, and may be adjusted on application of the tenant pursuant to subdivision b of section 26-513 of this chapter.

(iii) Where the commissioner has determined that the rent charged is in excess of the lawful rents as stated in subparagraph (i) or (ii) hereof, plus lawful increases thereafter, he or she shall provide for a cash refund or a credit, to be applied against future rent, in the amount of any rent overcharge collected by an owner and any penalties, costs, attorneys' fees and interest from the date of the overcharge at the rate of interest payable on a judgment pursuant to section five thousand four of the civil practice law and rules for which the owner is assessed.

§ 3. This act shall take effect immediately, provided, however, that the amendments to section 26-512 of the administrative code of the city of New York made by section two of this act shall expire on the same date as such chapter expires and shall not affect the expiration of such chapter as provided under section 26-520 of such chapter.