

# STATE OF NEW YORK

3365

2021-2022 Regular Sessions

## IN SENATE

January 29, 2021

Introduced by Sens. BAILEY, MAYER, RAMOS, SEPULVEDA -- 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 emergency tenant protection act of nineteen seventy-four, in relation to capping the amount of collectible rent increases due to major capital improvements at six percent of the legal regulated rent

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

Section 1. 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 26 of part Q of chapter 39 of the laws of 2019, is amended to read as follows:

(3) (a) there has been since January first, nineteen hundred seventy-four a major capital 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 operation costs or unnecessary cosmetic improvements. An adjustment under this paragraph shall be in an amount sufficient to amortize the cost of the improvements pursuant to this paragraph over a twelve-year period for a building with thirty-five or fewer housing accommodations, or a twelve and one-half period for a building with more than thirty-five housing accommodations 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, for any determination issued by the division of housing and community renewal after the effective date of ~~[the]~~ chapter thirty-nine of the laws of two thousand nineteen ~~[that amended this paragraph]~~; provided that the collection of any increase in the legal regulated rent for any housing accommodation pursuant to this subparagraph shall not exceed six percent in any year from the effective

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

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1 date of the order granting the increase over the legal regulated rent  
2 registered pursuant to section twelve-a of this act, with collectibility  
3 of any dollar excess above said sum to be spread forward in similar  
4 increments and added to the legal regulated rent as established or set  
5 in future years. In no event shall more than one six percent increase in  
6 the legal regulated rent pursuant to this subparagraph be collected in  
7 the same year.

8 (b) Temporary major capital improvement increases shall be collectable  
9 prospectively on the first day of the first month beginning sixty days  
10 from the date of mailing notice of approval to the tenant. Such notice  
11 shall disclose the total monthly increase in rent and the first month in  
12 which the tenant would be required to pay the temporary increase. An  
13 approval for a temporary major capital improvement increase shall not  
14 include retroactive payments. The collection of any increase shall not  
15 exceed two percent in any year from the effective date of the order  
16 granting the increase over the rent set forth in the schedule of gross  
17 rents, with collectability of any dollar excess above said sum to be  
18 spread forward in similar increments and added to the rent as estab-  
19 lished or set in future years. Upon vacancy, the landlord may add any  
20 remaining balance of the temporary major capital improvement increase to  
21 the legal regulated rent. Notwithstanding any other provision of the  
22 law, the collection of any rent increases for any renewal lease commenc-  
23 ing on or after June 14, 2019, due to any major capital improvements  
24 approved on or after June 16, 2012 and before June 16, 2019 shall not  
25 exceed two percent in any year for any tenant in occupancy on the date  
26 the major capital improvement was approved, or

27 § 2. This act shall take effect immediately.