STATE OF NEW YORK

10471

IN ASSEMBLY

May 29, 2024

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Zinerman) -- read once and referred to the Committee on Housing

AN ACT to amend the real property actions and proceedings law and the New York city charter, in relation to enforcement of housing code violations

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

Section 1. Section 770 of the real property actions and proceedings law is amended by adding a new subdivision 3 to read as follows:

3. Where an owner or owner's agent fails to correct or cure twenty or more violations of the housing maintenance code found to exist in any dwelling for a period of more than twelve consecutive months, the commissioner of the department of the city of New York charged with enforcement of the housing maintenance code of such city shall commence a proceeding under this article to be appointed as the administrator of such property.

§ 2. The opening paragraph of subdivision 1 of section 778 of the real property actions and proceedings law, as amended by chapter 48 of the laws of 2015, is amended to read as follows:

The court is authorized and empowered, in implementation of a judgment rendered pursuant to section seven hundred seventy-six or seven hundred seventy-seven of this article, to appoint a person other than the owner, a mortgagee or lienor, to receive and administer the rent moneys or security deposited with such owner, mortgagee or lienor, subject to the court's direction. The court may appoint the commissioner of the department of the city of New York charged with enforcement of the housing maintenance code of such city or the commissioner's designee as such administrator, provided that the commissioner or the commissioner's designee shall consent, in writing, to such appointment. **Where such department institutes proceedings under subdivision three of section seven hundred seventy of this article, and the court finds in favor of such petition, the court shall appoint the commissioner or the commissioner's designee as the administrator.** Any administrator is authorized and empowered in accordance with the direction of the court, to order

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

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the necessary materials, labor and services to remove or remedy the conditions specified in the judgment, and to make disbursements in payment thereof; and to demand, collect and receive the rents from the tenants; and to institute all necessary legal proceedings including, but not limited to, summary proceedings for the removal of any tenant or tenants; and to rent or lease for terms not exceeding three years any part of said premises, however, the court may direct the administrator to rent or lease commercial parts of said premises for terms that the court may approve. In addition, such administrator is authorized and empowered in accordance with the direction of the court to accept and repay such moneys as may be received from the department charged with enforcement of the housing maintenance code of the city of New York for the purpose of managing the premises, replacing or substantially rehabilitating systems or making other repairs or capital improvements authorized by the court. All moneys expended by the department pursuant to the foregoing shall constitute a debt recoverable from the owner and a lien upon the building and lot, and upon the rents and other income thereof. Such lien shall be enforced in accordance with the provisions of article eight of subchapter five of the housing maintenance code of the city of New York. Such administrator, shall, upon completion of the work prescribed in such judgment, file with the court a full accounting of all receipts and expenditures for such work. Such administrator shall dispose of the rents and other monies deposited with such administrator according to the following order of priority:

§ 3. The New York city charter is amended by adding a new section 1802-a to read as follows:

§ 1802-a. List of code violations. 1. The department shall establish, regularly update and maintain and make publicly available on its website, a list of the owners and managers of multifamily residential building which:

(a) have at least twenty open housing code violations related to health or safety, or more than four violations which have been falsely certified as corrected;

(b) have open housing code violations for: failure to provide self-closing public doors or adequate lighting in public areas; lack of posted certificates of occupancy; lack of heat, hot water, gas and electricity; failure to remove vermin or lead-based paint; cracks in tile floors, broken or defective cabinets, broken or defective sinks, ceiling water leaks, or mold; and

(c) do not have a qualified property manager.

2. The department shall arrange and produce the list required by this section in an order that reflects building owners or managers with the greatest number of open housing code violations or other formal complaints. Where an owner has more than one building, the number of violations shall be cumulative of all buildings owned.

3. The department shall bring motions for contempt and civil penalties for the owner's failure to comply with any existing court orders to correct housing code violations. The department shall commence proceedings to enforce money judgments and any civil penalties agreed to in settlements relating to housing code violations.

4. Where a licensee under article twelve-A of the real property law performs the functions of a property manager or places tenants, collects rent, negotiates leases or lists property, on behalf of any landlord or property owner whose properties appear on the list produced pursuant to this section, the real estate board shall suspend the license of such licensee and shall require such licensee to re-take the real estate

licensing courses required by such article and to re-pass the required examination.

5. An owner who fails to correct housing violations within the prescribed statutory periods and who appears on the list for more than twelve consecutive months shall be liable for a fine of ten thousand dollars for each health or safety violation which has not been timely cured.

§ 4. This act shall take effect on the ninetieth day after it shall have become a law.