STATE OF NEW YORK

8175

IN SENATE

January 11, 2024

Introduced by Sen. CLEARE -- 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, the emergency tenant protection act of nineteen seventy-four and the emergency housing rent control law, in relation to prohibiting the adjustment of maximum allowable rent where any modification, increase or improvement is made to accommodate the needs of a disabled tenant

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

Section 1. 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 20 of part Q of chapter 39 of the laws of 2019, is amended to read as follows:

5 (e) The landlord and tenant by mutual voluntary written agreement demonstrating informed consent agree to a substantial increase or 7 decrease in dwelling space or a change in furniture, furnishings or equipment provided in the housing accommodations. An adjustment under this subparagraph shall be equal to one-one hundred sixty-eighth, in the 10 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 thir-11 12 ty-five housing accommodations where such temporary adjustment takes 13 effect on or after the effective date of [the] chapter thirty-six of the laws of two thousand nineteen [that amended this subparagraph], of the 15 total actual cost incurred by the landlord in providing such reasonable and verifiable modification or increase in dwelling space, furniture, 16 furnishings, or equipment, including the cost of installation but 17 excluding finance charges and any costs that exceed reasonable costs 18 established by rules and regulations promulgated by the division of 20 housing and community renewal. Such rules and regulations shall include: (i) requirements for work to be done by licensed contractors and prohib-21 it common ownership between the landlord and the contractor or vendor; 23 and (ii) a requirement that the owner resolve within the dwelling space 24 all outstanding hazardous or immediately hazardous violations of the

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

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Uniform Fire Prevention and Building Code (Uniform Code), New York City Fire Code, or New York City Building and Housing Maintenance Codes, if applicable. Provided further that an owner who is entitled to a rent increase pursuant to this subparagraph shall not be entitled to a 5 further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new 7 equipment, or new furniture or furnishings. Provided further that the recoverable costs incurred by the landlord, pursuant to this subpara-9 graph shall be limited to an aggregate cost of fifteen thousand dollars 10 that may be expended on no more than three separate individual apartment 11 improvements in a fifteen year period beginning with the first individ-12 ual apartment improvement on or after June fourteenth, two thousand nineteen. Provided further that increases to the legal regulated rent 13 14 pursuant to this subparagraph shall be removed from the legal regulated 15 rent thirty years from the date the increase became effective inclusive 16 of any increases granted by the applicable rent guidelines board. 17 owner shall give written notice to the city rent agency of any such 18 temporary adjustment pursuant to this subparagraph; provided, however, an owner shall not be entitled to any adjustment pursuant to this 19 subparagraph where any modification or increase in dwelling space, 20 21 services, furniture, furnishings or equipment is made to accommodate the 22 needs of a disabled tenant. For purposes of this subparagraph, "disa-23 bled" means an individual (i) with a physical or mental impairment, including, but not limited to, those of neurological, emotional or 24 25 sensory organs, which substantially limits one or more of the individual's major life activities, and (ii) who is regarded as having such an 26 27 impairment as certified by a licensed physician of this state; or 28

§ 2. Paragraph 13 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 19 of part Q of chapter 39 of the laws of 2019, is amended to read as follows:

(13) provides that an owner is entitled to a rent increase where 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 writinformed 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 thirty-six of the laws of two thousand nineteen [that amended this paragraph], of the total actual cost incurred by the landlord in providing such reasonable and verifiable modification or increase in dwelling space, furniture, furnishings, or equipment, including the cost of installation but 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: (i) requirements for work to be done by licensed contractors and prohibit common ownership between the landlord and the contractor or vendor; and (ii) a requirement that the owner resolve within the 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 Maintenance Codes, if applicable. 56 Provided further that an owner who is entitled to a rent increase pursuS. 8175

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ant to this paragraph shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings. Provided further that the recoverable costs 5 incurred by the landlord, pursuant to this paragraph, shall be limited to an aggregate cost of fifteen thousand dollars that may be expended on 7 no more than three separate individual apartment improvements in a fifteen year period beginning with the first individual apartment 9 improvement on or after June fourteenth, two thousand nineteen. Provided 10 further that increases to the legal regulated rent pursuant to this 11 paragraph shall be removed from the legal regulated rent thirty years 12 from the date the increase became effective inclusive of any increases granted by the applicable rent guidelines board. Provided, however, an 13 14 owner shall not be entitled to any rent increase pursuant to this para-15 graph where any modification, increase or improvement in dwelling space, 16 services, furniture, furnishings or equipment is made to accommodate the 17 needs of a disabled tenant. For purposes of this paragraph, "disabled" means an individual (i) with a physical or mental impairment, including, 18 but not limited to, those of neurological, emotional or sensory organs, 19 which substantially limits one or more of the individual's major life 20 21 activities, and (ii) who is regarded as having such an impairment as 22 certified by a licensed physician of this state.

- § 3. 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 18 of part Q of chapter 39 of the laws of 2019, is amended to read as follows:
- 27 (1) there has been a substantial modification or increase of dwelling 28 space, or installation of new equipment or improvements or new furniture 29 or furnishings, provided in or to a tenant's housing accommodation, on 30 written informed tenant consent to the rent increase. In the case of a 31 vacant housing accommodation, tenant consent shall not be required. The 32 temporary increase in the legal regulated rent for the affected housing 33 accommodation shall be one-one hundred sixty-eighth, in the case of a 34 building with thirty-five or fewer housing accommodations or one-one hundred eightieth in the case of a building with more than thirty-five 35 36 housing accommodations where such increase takes effect on or after the 37 effective date of [the] chapter thirty-six of the laws of two thousand 38 nineteen [that amended this paragraph], of the total actual cost 39 incurred by the landlord up to fifteen thousand dollars in providing such reasonable and verifiable modification or increase in dwelling 40 space, furniture, furnishings, or equipment, including the cost of 41 42 installation but excluding finance charges and any costs that exceed 43 reasonable costs established by rules and regulations promulgated by the 44 division of housing and community renewal. Such rules and regulations (i) requirements for work to be done by licensed 45 shall include: 46 contractors and a prohibition on common ownership between the landlord 47 and the contractor or vendor; and (ii) a requirement that the owner 48 resolve within the dwelling space all outstanding hazardous or immediately hazardous violations of the Uniform Fire Prevention and Building 49 Code (Uniform Code), New York City Fire Code, or New York City Building 50 51 and Housing Maintenance Codes, if applicable. Provided further that an 52 owner who is entitled to a rent increase pursuant to this paragraph 53 shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings. 55 Provided further that the recoverable costs incurred by the landlord,

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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 5 June fourteenth, two thousand nineteen. Provided further that increases to the legal regulated rent pursuant to this paragraph shall be removed 7 from the legal regulated rent thirty years from the date the increase became effective inclusive of any increases granted by the applicable 9 rent guidelines board. Provided, however, an owner shall not be enti-10 tled to any rent increase pursuant to this paragraph where any modifica-11 tion, increase or improvement in dwelling space, services, furniture, 12 furnishings or equipment is made to accommodate the needs of a disabled tenant. For purposes of this paragraph, "disabled" means an individual 13 (i) with a physical or mental impairment, including, but not limited to, 14 15 those of neurological, emotional or sensory organs, which substantially 16 limits one or more of the individual's major life activities, and (ii) 17 who is regarded as having such an impairment as certified by a licensed 18 physician of this state. 19

- § 4. Subparagraph 5 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 36 of part Q of chapter 39 of the laws of 2019, is amended to read as follows:
- 23 24 (5) the landlord and tenant by mutual voluntary written informed 25 agreement agree to a substantial increase or decrease in dwelling space, furniture, furnishings or equipment provided in the housing accommo-26 27 dations; provided that an owner shall be entitled to a rent increase 28 where there has been a substantial modification or increase of dwelling 29 space, or installation of new equipment or improvements or new furniture 30 furnishings provided in or to a tenant's housing accommodation. The 31 temporary increase in the maximum rent for the affected housing accommo-32 dation shall be one-one hundred sixty-eighth, in the case of a building 33 with thirty-five or fewer housing accommodations, or one-one hundred 34 eightieth, in the case of a building with more than thirty-five housing 35 accommodations where such increase takes effect on or after the effec-36 tive date of [the] chapter thirty-nine of the laws of two thousand nine-37 teen [that amended this subparagraph], of the total actual cost incurred by the landlord up to fifteen thousand dollars in providing such reason-39 able and verifiable modification or increase in dwelling space, furniture, furnishings, or equipment, including the cost of installation but 40 excluding finance charges and any costs that exceed reasonable costs 41 42 established by rules and regulations promulgated by the division of 43 housing and community renewal. Such rules and regulations shall include: 44 (i) requirements for work to be done by licensed contractors and a 45 prohibition on common ownership between the landlord and the contractor 46 or vendor; and (ii) a requirement that the owner resolve within the 47 dwelling space all outstanding hazardous or immediately hazardous 48 violations of the uniform fire prevention and building code (Uniform Code), New York city fire code, or New York city building and housing 49 maintenance codes, if applicable. Provided further that an owner who is 50 51 entitled to a rent increase pursuant to this clause shall not be enti-52 tled to a further rent increase based upon the installation of similar 53 equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings. Provided further that the recoverable costs incurred by the landlord, pursuant to this 55 56 subparagraph, shall be limited to an aggregate cost of fifteen thousand

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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 7 inclusive of any increases granted by the applicable rent guidelines board. The owner shall give written notice to the commission of any such adjustment pursuant to this clause; provided, however, an owner shall 9 10 not be entitled to any adjustment pursuant to this clause where any 11 modification, improvement or increase in dwelling space, services, 12 furniture, furnishings or equipment is made to accommodate the needs of a disabled tenant. For purposes of this clause, "disabled" means an 13 14 individual (i) with a physical or mental impairment, including, but not 15 limited to, those of neurological, emotional or sensory organs, which substantially limits one or more of the individual's major life activ-16 17 ities, and (ii) who is regarded as having such an impairment as certified by a licensed physician of this state; or 18

- § 5. This act shall take effect immediately; provided that:
- (a) the amendments to section 26-405 of the city rent and rehabilitation law made by section one 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
- (b) the amendments made to section 26-511 of chapter 4 of title 26 of 27 the administrative code of the city of New York made by section two of 28 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 29 30 such law.