STATE OF NEW YORK

422

2023-2024 Regular Sessions

IN ASSEMBLY

January 9, 2023

Introduced by M. of A. EPSTEIN -- read once and referred to the Committee on Housing

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 eliminating the price index of operating costs as a factor in determining rent increases by the rent guidelines board

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

Section 1. Subdivision b of section 26-510 of the administrative code of the city of New York, as amended by section 4 of part C of chapter 36 of the laws of 2019, is amended to read as follows:

b. The rent guidelines board shall establish annual guidelines for rent adjustments, and in determining whether rents for housing accommodations subject to the emergency tenant protection act of nineteen seventy-four or this law shall be adjusted shall consider, among other things (1) the economic condition of the residential real estate industry in the affected area including such factors as the prevailing and projected (i) [~~real estate taxes and sewer and water rates, (ii) gross operating maintenance costs (including insurance rates, governmental fees, cost of fuel and labor costs), (iii)~~] costs and availability of financing (including effective rates of interest), [~~(iv)~~] **(ii)** over-all supply of housing accommodations and over-all vacancy rates, (2) relevant data from the current and projected cost of living indices for the affected area, (3) such other data as may be made available to it. Not later than July first of each year, the rent guidelines board shall file with the city clerk its findings for the preceding calendar year, and shall accompany such findings with a statement of the maximum rate or rates of rent adjustment, if any, for one or more classes of accommodations subject to this law, authorized for leases or other rental agreements commencing on the next succeeding October first or within the twelve months thereafter. Such findings and statement shall be published

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

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in the City Record. The rent guidelines board shall not establish annual guidelines for rent adjustments based on the current rental cost of a unit or on the amount of time that has elapsed since another rent increase was authorized pursuant to this title.

§ 2. Subdivision b of section 4 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, as amended by chapter 486 of the laws of 1976, the opening paragraph as amended by section 3 of part Q of chapter 39 of the laws of 2019, and the second and third undesignated paragraphs as amended chapter 330 of the laws of 1980, is amended to read as follows:

b. A county rent guidelines board shall establish annual guidelines for rent adjustments which, at its sole discretion may be varied and different for and within the several zones and jurisdictions of the board, and in determining whether rents for housing accommodations as to which an emergency has been declared pursuant to this act shall be adjusted, shall consider among other things (1) the economic condition of the residential real estate industry in the affected area including such factors as the prevailing and projected (i) [~~real estate taxes and sewer and water rates, (ii) gross operating maintenance costs (including insurance rates, governmental fees, cost of fuel and labor costs), (iii)~~] costs and availability of financing (including effective rates of interest), [~~(iv)~~] (ii) over-all supply of housing accommodations and over-all vacancy rates, (2) relevant data from the current and projected cost of living indices for the affected area, (3) such other data as may be made available to it. As soon as practicable after its creation and thereafter not later than July first of each year, a rent guidelines board shall file with the state division of housing and community renewal its findings for the preceding calendar year, and shall accompany such findings with a statement of the maximum rate or rates of rent adjustment, if any, for one or more classes of accommodation subject to this act, authorized for leases or other rental agreements commencing during the next succeeding twelve months. The standards for rent adjustments may be applicable for the entire county or may be varied according to such zones or jurisdictions within such county as the board finds necessary to achieve the purposes of this subdivision. A rent guidelines board shall not establish annual guidelines for rent adjustments based on the current rental cost of a unit or on the amount of time that has elapsed since another rent increase was authorized pursuant to this chapter.

The standards for rent adjustments established annually shall be effective for leases commencing on October first of each year and during the next succeeding twelve months whether or not the board has filed its findings and statement of the maximum rate or rates of rent adjustment by July first of each year. If such lease is entered into before such filing by the board, it may provide for the rent to be adjusted by the rates then in effect, subject to change by the applicable rates of rent adjustment when filed, such change to be effective as of the date of the commencement of the lease. Said lease must provide that, if the new rates of rent adjustment differ for leases of different terms, the tenant has the option of changing the original lease term to any other term for which a rate of rent adjustment is set by the board, with the rental to be adjusted accordingly.

Where a city, town or village shall act to determine the existence of public emergency pursuant to section three of this act subsequent to the establishment of annual guidelines for rent adjustments of the accommodations subject to this act, the rent guidelines board as soon as prac-

ticable thereafter shall file its findings and rates of rent adjustment for leases or other rental agreements for the housing accommodations in such a city, town or village, which rates shall be effective for leases or other rental agreements commencing on or after the effective date of the determination.

§ 3. This act shall take effect immediately; provided, however, that the amendments to section 26-510 of the rent stabilization law of nineteen hundred sixty-nine made by section one of 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 such law.