

# STATE OF NEW YORK

654

2025-2026 Regular Sessions

## IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. ROSENTHAL, DE LOS SANTOS, SEAWRIGHT, RAGA, CUNNINGHAM -- read once and referred to the Committee on Housing

AN ACT to amend the emergency tenant protection act of nineteen seventy-four and the administrative code of the city of New York, in relation to penalties for owners of property who fail to file a proper or timely rent registration statement

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

1 Section 1. The opening paragraph and clause (ii) of subparagraph (b)  
2 of paragraph 1 of subdivision a of section 12 of section 4 of chapter  
3 576 of the laws of 1974, constituting the emergency tenant protection  
4 act of nineteen seventy-four, as amended by section 1 of part F of chap-  
5 ter 36 of the laws of 2019, are amended to read as follows:  
6 Subject to the conditions and limitations of this paragraph, any owner  
7 of housing accommodations in a city having a population of less than one  
8 million or a town or village as to which an emergency has been declared  
9 pursuant to section three, who, upon complaint of a tenant or of the  
10 state division of housing and community renewal, is found by the state  
11 division of housing and community renewal, after a reasonable opportu-  
12 nity to be heard, to have collected an overcharge above the rent author-  
13 ized for a housing accommodation subject to this act shall be liable to  
14 the tenant for a penalty equal to [~~three~~] five times the amount of such  
15 overcharge for a first offense and ten times the amount of such over-  
16 charge for any subsequent offense. If the owner establishes by a prepon-  
17 derance of the evidence that the overcharge was neither willful nor  
18 attributable to [~~his~~] such owner's negligence, the state division of  
19 housing and community renewal shall establish the penalty as the amount  
20 of the overcharge plus interest at the rate of interest payable on a  
21 judgment pursuant to section five thousand four of the civil practice  
22 law and rules. After a complaint of rent overcharge has been filed and

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

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1 served on an owner, the voluntary adjustment of the rent and/or the  
2 voluntary tender of a refund of rent overcharges shall not be considered  
3 by the division of housing and community renewal or a court of competent  
4 jurisdiction as evidence that the overcharge was not willful. (i) Except  
5 as to complaints filed pursuant to clause (ii) of this paragraph, the  
6 legal regulated rent for purposes of determining an overcharge, shall be  
7 deemed to be the rent indicated in the most recent reliable annual  
8 registration statement for a rent stabilized tenant filed and served  
9 upon the tenant six or more years prior to the most recent registration  
10 statement, (or, if more recently filed, the initial registration state-  
11 ment) plus in each case any subsequent lawful increases and adjustments.  
12 The division of housing and community renewal or a court of competent  
13 jurisdiction, in investigating complaints of overcharge and in determin-  
14 ing legal regulated rent, shall consider all available rent history  
15 which is reasonably necessary to make such determinations. (ii) As to  
16 complaints filed within ninety days of the initial registration of a  
17 housing accommodation, the legal regulated rent for purposes of deter-  
18 mining an overcharge shall be deemed to be the rent charged on the date  
19 six years prior to the date of the initial registration of the housing  
20 accommodation (or, if the housing accommodation was subject to this act  
21 for less than six years, the initial legal regulated rent) plus in each  
22 case, any lawful increases and adjustments. Where the rent charged on  
23 the date six years prior to the date of the initial registration of the  
24 accommodation cannot be established, such rent shall be established by  
25 the division.

26 (ii) A penalty of [~~three~~] five times the overcharge for a first  
27 offense and ten times the amount of such overcharge for any subsequent  
28 offense shall be assessed upon all overcharges willfully collected by  
29 the owner starting six years before the complaint is filed.

30 § 2. The opening paragraph and paragraph 2 of subdivision a of section  
31 26-516 of the administrative code of the city of New York, as amended by  
32 section 4 of part F of chapter 36 of the laws of 2019, are amended to  
33 read as follows:

34 Subject to the conditions and limitations of this subdivision, any  
35 owner of housing accommodations who, upon complaint of a tenant, or of  
36 the state division of housing and community renewal, is found by the  
37 state division of housing and community renewal, after a reasonable  
38 opportunity to be heard, to have collected an overcharge above the rent  
39 authorized for a housing accommodation subject to this chapter shall be  
40 liable to the tenant for a penalty equal to [~~three~~] five times the  
41 amount of such overcharge for a first offense and ten times the amount  
42 of such overcharge for any subsequent offense. If the owner establishes  
43 by a preponderance of the evidence that the overcharge was not willful,  
44 the state division of housing and community renewal shall establish the  
45 penalty as the amount of the overcharge plus interest. After a complaint  
46 of rent overcharge has been filed and served on an owner, the voluntary  
47 adjustment of the rent and/or the voluntary tender of a refund of rent  
48 overcharges shall not be considered by the division of housing and  
49 community renewal or a court of competent jurisdiction as evidence that  
50 the overcharge was not willful. (i) Except as to complaints filed pursu-  
51 ant to clause (ii) of this paragraph, the legal regulated rent for  
52 purposes of determining an overcharge, shall be the rent indicated in  
53 the most recent reliable annual registration statement filed and served  
54 upon the tenant six or more years prior to the most recent registration  
55 statement, (or, if more recently filed, the initial registration state-  
56 ment) plus in each case any subsequent lawful increases and adjustments.

1 The division of housing and community renewal or a court of competent  
2 jurisdiction, in investigating complaints of overcharge and in determin-  
3 ing legal regulated rent, shall consider all available rent history  
4 which is reasonably necessary to make such determinations. (ii) As to  
5 complaints filed within ninety days of the initial registration of a  
6 housing accommodation, the legal regulated rent shall be deemed to be  
7 the rent charged on the date six years prior to the date of the initial  
8 registration of the housing accommodation (or, if the housing accommo-  
9 dation was subject to this chapter for less than six years, the initial  
10 legal regulated rent) plus in each case, any lawful increases and  
11 adjustments. Where the rent charged on the date six years prior to the  
12 date of the initial registration of the accommodation cannot be estab-  
13 lished, such rent shall be established by the division.

14 (2) A complaint under this subdivision may be filed with the state  
15 division of housing and community renewal or in a court of competent  
16 jurisdiction at any time, however any recovery of overcharge penalties  
17 shall be limited to the six years preceding the complaint. A penalty of  
18 [~~three~~ five times the overcharge for a first offense and ten times the  
19 amount of such overcharge for any subsequent offense shall be assessed  
20 upon all overcharges willfully collected by the owner starting six years  
21 before the complaint is filed.

22 § 3. This act shall take effect immediately; provided, however, that  
23 the amendments to section 26-516 of chapter 4 of title 26 of the admin-  
24 istrative code of the city of New York made by section two of this act  
25 shall expire on the same date as such law expires and shall not affect  
26 the expiration of such law as provided under section 26-520 of such law.