STATE OF NEW YORK

9160

2025-2026 Regular Sessions

IN ASSEMBLY

October 17, 2025

Introduced by M. of A. P. CARROLL -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property law, in relation to termination of utility service to a commercial tenant

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

Section 1. Short title. This act shall be known and may be cited as "the commercial tenant protection act".

§ 2. The real property law is amended by adding a new section 235-aa to read as follows:

§ 235-aa. Commercial tenant's right to offset payments. 1. In any case in which a utility company terminates service to a commercial tenant with a triple net lease due to the landlord's failure to pay one or more utility charges for the rented unit or units, and such tenant has fully paid all outstanding rent and other charges to the landlord, the tenant may hold back rent pro-rated for the amount of days the utilities are turned off.

2. As used in this section:

(a) "triple net lease" means a lease that requires the tenant to pay all expenses on a property, including real estate taxes, property insurance, and operating expenses, along with the cost of rent and utilities; and

(b) "utility company" includes a utility company as defined in subdivision twenty-three of section two of the public service law, a public authority, a water-works corporation as defined in subdivision twenty-seven of section two of the public service law, and a municipal water system as prescribed in section eighty-nine-l of the public service law.

§ 3. This act shall take effect on the ninetieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

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

LBD13854-01-5