STATE OF NEW YORK

989

2025-2026 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 8, 2025

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

AN ACT to amend the emergency tenant protection act of nineteen seventy-four, in relation to regulating buyouts within rent regulated apartments

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

Section 1. Section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is amended by adding a new section 10-c to read as follows:

§ 10-c. Regulated buyouts for rent regulated apartments. a. For purposes of this section, the following terms shall have the following meanings:

(1) "Buyout agreement" shall mean an agreement wherein the owner of a dwelling unit exchanges money or other valuable consideration to induce any person lawfully entitled to occupancy of such unit to surrender or waive any rights in relation to such occupancy that results in the tenant vacating such unit.

(2) "Commissioner" shall mean the commissioner of the division of housing and community renewal and any successor thereto.

(3) "Division" shall mean the division of housing and community renewal and any successor thereto.

b. (1) If a landlord shall make a buyout offer to a current tenant in the form of a proposed buyout agreement, such agreement shall be made in writing and shall contain:

(a) such landlord's name and contact information;

(b) the date the request was made in writing;

(c) the amount of money being offered to the current tenant; and

(d) the reason for contacting the tenant;

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

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(2) The landlord shall make it known to a tenant within any proposed buyout agreement that:

(a) the tenant may reject any offer and may continue to occupy the dwelling unit; and

(b) the tenant may consult with an attorney regarding such agreement.

c. A proposed buyout offer shall be considered harassment against the current tenant if the landlord:

(1) provides false information in connection with a proposed buyout offer;

(2) contacts the tenant at their place of employment without obtaining such tenant's permission; or

(3) continues to contact the tenant within one hundred eighty days after the tenant has advised the landlord in writing that they do not want to be contacted further regarding any potential buyout offers.

d. After receiving a proposed buyout agreement from a landlord, a tenant shall have a minimum of ninety days from the time the proposed buyout was presented to the tenant, to accept or reject such agreement. The tenant and landlord shall not be able to execute a buyout agreement until such ninety day period has lapsed. The tenant shall use the ninety day period to understand their rights pertaining to such agreement and to seek out assistance from counsel if they desire.

e. Within ninety days after the execution of a buyout agreement for a dwelling unit, the landlord of such unit shall electronically provide to the division the following:

(1) such landlord's name;

(2) the address of the dwelling unit that is the subject of such buyout agreement;

(3) the amount of money or, if applicable, a description of other valuable consideration agreed upon as part of the buyout agreement. If such other valuable consideration included the dismissal of a pending action or proceeding, the caption, index number and county in which the pending action or proceeding was venued shall be required;

(4) the date such buyout agreement was executed; and

(5) the amount of time, in months, remaining in the lease for such subject dwelling unit. A tenant with a legal right to a lease renewal pursuant to state law shall be indicated as having an unlimited number of months remaining.

f. No later than January 31, 2027, and by January 31 of each year thereafter, the commissioner shall submit a report to the speaker of the assembly and the temporary president of the senate that contains the total number of buyout agreements executed during the prior calendar year. Such report shall include, but not be limited to, the following for each census tract:

(1) The amount of money or other consideration agreed upon in each such agreement;

(2) The date that each such agreement was executed; and

(3) The amount of time, in months, remaining in the lease for the dwelling unit subject to such agreement. A tenant with a legal right to a lease renewal pursuant to state law shall be indicated as having an unlimited number of months remaining.

g. (1) A landlord who shall be required to provide information to the division and who fails to do so pursuant to paragraph e of this section shall be liable to a civil penalty of five hundred dollars, which shall be payable to the division.

(2) If a landlord is found guilty of harassment pursuant to subdivision c of this section, has violated the ninety day required time period

pursuant to subdivision d of this section or has violated the minimum legal standards set forth in this section on how a buyout shall be made, they shall be liable to a penalty of one thousand dollars for each violation.

§ 2. This act shall take effect July 1, 2026. 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.