STATE OF NEW YORK

10504

IN SENATE

May 15, 2026

Introduced by Sen. KAVANAGH -- 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 requiring the division of housing and community renewal to publish the results of annual audits of approved applications for temporary major capital improvement increases on its website annually

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

Section 1. Subdivision b of section 26-405.1 of the administrative code of the city of New York, as added by section 5 of part K of chapter 36 of the laws of 2019, is amended to read as follows:

b. The division shall establish an annual inspection and audit process which shall review twenty-five percent of applications for a temporary major capital improvement increase that have been submitted and approved. Such process shall include individual inspections and document review to ensure that owners complied with all obligations and responsibilities under the law for temporary major capital improvement increases. Inspections shall include in-person confirmation that such improvements have been completed in such way as described in the application. **The division shall conspicuously make available on its website the results of every annual audit conducted pursuant to this subdivision and shall publish new audit results on its website annually.**

§ 2. Subdivision b of section 26-511.1 of the administrative code of the city of New York, as added by section 4 of part K of chapter 36 of the laws of 2019, is amended to read as follows:

b. The division shall establish an annual inspection and audit process which shall review twenty-five percent of applications for a temporary major capital improvement increase that have been submitted and approved. Such process shall include individual inspections and document review to ensure that owners complied with all obligations and responsibilities under the law for temporary major capital improvement

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

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increases. Inspections shall include in-person confirmation that such improvements have been completed in such way as described in the application. **The division shall conspicuously make available on its website the results of every annual audit conducted pursuant to this subdivision and shall publish new audit results on its website annually.**

§ 3. Subdivision (b) of section 10-b of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, as added by section 6 of part K of chapter 36 of the laws of 2019, is amended to read as follows:

(b) The division shall establish an annual inspection and audit process which shall review twenty-five percent of applications for a temporary major capital improvement increase that have been submitted and approved. Such process shall include individual inspections and document review to ensure that owners complied with all obligations and responsibilities under the law for temporary major capital improvement increases. Inspections shall include in-person confirmation that such improvements have been completed in such way as described in the application. **The division shall conspicuously make available on its website the results of every annual audit conducted pursuant to this subdivision and shall publish new audit results on its website annually.**

§ 4. Subdivision 2 of section 8-a of chapter 274 of the laws of 1946, constituting the emergency housing rent control law, as added by section 7 of part K of chapter 36 of the laws of 2019, is amended to read as follows:

2. The division shall establish an annual inspection and audit process which shall review twenty-five percent of applications for a temporary major capital improvement increase that have been submitted and approved. Such process shall include individual inspections and document review to ensure that owners complied with all obligations and responsibilities under the law for temporary major capital improvement increases. Inspections shall include in-person confirmation that such improvements have been completed in such way as described in the application. **The division shall conspicuously make available on its website the results of every annual audit conducted pursuant to this subdivision and shall publish new audit results on its website annually.**

§ 5. This act shall take effect immediately; provided that the amendments to section 26-405.1 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 provided that the amendments to section 26-511.1 of chapter 4 of title 26 of the administrative code of the city of New York made by section two 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.