

# STATE OF NEW YORK

654--B

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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 increasing penalties for owners of rent-regulated property who overcharge tenants

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. If the owner establishes by a preponderance of the evidence  
16 that the overcharge was neither willful nor attributable to [~~his~~ the  
17 owner's negligence, the state division of housing and community renewal  
18 shall establish the penalty as the amount of the overcharge plus inter-  
19 est at the rate of interest payable on a judgment pursuant to section

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

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

27 (ii) A penalty of [~~three~~ **five**] times the overcharge shall be assessed  
28 upon all overcharges willfully collected by the owner starting six years  
29 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. If the owner establishes by a preponderance  
42 of the evidence that the overcharge was not willful, the state division  
43 of housing and community renewal shall establish the penalty as the  
44 amount of the overcharge plus interest. After a complaint of rent over-  
45 charge has been filed and served on an owner, the voluntary adjustment  
46 of the rent and/or the voluntary tender of a refund of rent overcharges  
47 shall not be considered by the division of housing and community renewal  
48 or a court of competent jurisdiction as evidence that the overcharge was  
49 not willful. (i) Except as to complaints filed pursuant to clause (ii)  
50 of this paragraph, the legal regulated rent for purposes of determining  
51 an overcharge, shall be the rent indicated in the most recent reliable  
52 annual registration statement filed and served upon the tenant six or  
53 more years prior to the most recent registration statement, (or, if more  
54 recently filed, the initial registration statement) plus in each case  
55 any subsequent lawful increases and adjustments. The division of housing  
56 and community renewal or a court of competent jurisdiction, in investi-

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

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

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