

STATE OF NEW YORK

467--B

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. HOYLMAN-SIGAL, JACKSON, KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- 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-

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

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

28 (ii) A penalty of [~~three~~ **five**] times the overcharge shall be assessed
29 upon all overcharges willfully collected by the owner starting six years
30 before the complaint is filed.

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

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

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

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