## STATE OF NEW YORK

1673

2007-2008 Regular Sessions

### IN SENATE

January 24, 2007

Introduced by Sen. KRUEGER -- 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 local emergency housing rent control act, in relation to rent regulation laws

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

Section 1. Subdivision 5 of section 1 of chapter 21 of the laws of 1962, constituting the local emergency housing rent control act, as amended by chapter 82 of the laws of 2003, is amended to read as follows:

5. Authority for local rent control legislation. Each city having a population of one million or more, acting through its local legislative body, may adopt and amend local laws or ordinances in respect of the establishment or designation of a city housing rent agency. When it deems such action to be desirable or necessitated by local conditions in order to carry out the purposes of this section, such city, except as 11 hereinafter provided, acting through its local legislative body and not otherwise, may adopt and amend local laws or ordinances in respect of 13 the regulation and control of residential rents, including but not 14 limited to provision for the establishment and adjustment of maximum 15 rents, the classification of housing accommodations, the regulation of 16 evictions, and the enforcement of such local laws or ordinances. The validity of any such local laws or ordinances, and the rules or requlations promulgated in accordance therewith, shall not be affected by and need not be consistent with the state emergency housing rent control law or with rules and regulations of the state division of housing and

21 community renewal.
22 Notwithstanding any local law or ordinance, housing accommodations

which became vacant on or after July first, nineteen hundred seventy-one or which hereafter become vacant shall be subject to the provisions of

EXPLANATION--Matter in <u>italics</u> (underscored) is new; matter in brackets [\_] is old law to be omitted.

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the emergency tenant protection act of nineteen seventy-four, provided, however, that this provision shall not apply or become effective with respect to housing accommodations which, by local law or ordinance, are made directly subject to regulation and control by a city housing rent agency and such agency determines or finds that the housing accommodations became vacant because the landlord or any person acting on his behalf, with intent to cause the tenant to vacate, engaged in any course of conduct (including but not limited to, interruption or discontinuance of essential services) which interfered with or disturbed or was intended to interfere with or disturb the comfort, repose, peace or quiet of the tenant in his use or occupancy of the housing accommo-11 12 dations. The removal of any housing accommodation from regulation and control of rents pursuant to the vacancy exemption provided for in this paragraph shall not constitute or operate as a ground for the subjection to more stringent regulation and control of any housing accommodation in 16 such property or in any other property owned by the same landlord, notwithstanding any prior agreement to the contrary by the landlord. The vacancy exemption provided for in this paragraph shall not arise with 19 respect to any rented plot or parcel of land otherwise subject to the provisions of this act, by reason of a transfer of title and possession occurring on or after July first, nineteen hundred seventy-one of a dwelling located on such plot or parcel and owned by the tenant where 23 such transfer of title and possession is made to a member of the tenant's immediate family provided that the member of the tenant's immediate family occupies the dwelling with the tenant prior to the transfer of title and possession for a continuous period of two years. 27

The term "immediate family" shall include a husband, wife, son, daughter, stepson, stepdaughter, father, mother, father-in-law or mother-in-law.

[Notwithstanding—the foregoing, no local law or ordinance chall here after provide for the regulation and central of residential rents—and eviction in respect of any housing accommodations which are (1) present by exempt from such regulation and central or (2) hereafter decentralled either by operation of law or by a city housing rent agency, by order or otherwise. No housing accommodations presently subject to regulation and central pursuant to local laws or ordinances adopted or amended under authority of this subdivision shall hereafter be by local law or ordinance or by rule or regulation which has not been theretofore approved by the state commissioner of housing and community renewal subjected to more stringent or restrictive provisions of regulation and central than those presently in effect.

Notwithstanding any other provision of law, on and after the effective date of this paragraph, a city having a population of one million or more shall not, either through its local legislative body or etherwise, adopt or amend local laws or ordinances with respect to the regulation and central of residential rents and eviction, including but not limited to provision for the establishment and adjustment of rents, the classification of housing accommodations, the regulation of evictions, and the enforcement of such local laws or ordinances, or etherwise adopt laws or ordinances pursuant to the provisions of this act, the emergency tenant protection act of minetoen seventy four, the New York city rent and rehabilitation law or the New York city rent stabilitation law, except to the extent that such city for the purpose of reviewing the centinued need for the existing regulation and central of residential rents or to remove a classification of housing accommodation from such regulation and central adopts or amends local laws or ordinances pursuant to subdi-

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vision three of costion one of this act, section three of the emergency tonant protection act of minoteen coventy four, coction 26-415 of the Now York city rent and robabilitation law, and coctions 26-502 and 26-520 of the New York city rent stabilization law of mineteen hundred sixty-nine.]

Notwithstanding any provision of this act to the contrary, any local law adopted pursuant to this act shall provide that notwithstanding any provision of such local law in the case where all tenants occupying the housing accommodation on the effective date of this paragraph have vacated the housing accommodation and a family member of such vacating tenant or tenants is entitled to and continues to occupy the housing accommodation subject to the protections of such act, if such accommodation continues to be subject to such act after such family member vacates, on the occurrence of such vacancy the maximum collectable rent shall be increased by a sum equal to the allowance then in effect for 16 vacancy leases for housing accommodations covered by the rent stabilization law of nineteen hundred sixty-nine, including the amount allowed by 18 paragraph (5-a) of subdivision c of section 26-511 of such law. This 19 increase shall be in addition to any other increases provided for in 20 this act and shall be applicable in like manner to each second subsequent succession.

Notwithstanding the foregoing, no local law or ordinance shall subject to such regulation and control any housing accommodation which is not occupied by the tenant in possession as his primary residence; provided, however, that such housing accommodation not occupied by the tenant in possession as his primary residence shall continue to be subject to regulation and control as provided for herein unless the city housing rent agency issues an order decontrolling such accommodation, which the agency shall do upon application by the landlord whenever it is established by any facts and circumstances which, in the judgment of the agency, may have a bearing upon the question of residence, that the tenant maintains his primary residence at some place other than at such 33 housing accommodation.

34 § 2. This act shall take effect immediately; provided, however, that the amendments to subdivision 5 of section 1 of chapter 21 of the laws 35 of 1962 made by section one of this act shall remain in full force and effect only so 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 40 act.

RETRIEVE BILL Page 1 of 2

## NEW YORK STATE SENATE INTRODUCER'S MEMORANDUM IN SUPPORT submitted in accordance with Senate Rule VI. Sec 1

BILL NUMBER: S1673

SPONSOR: KRUEGER

TITLE OF BILL: An act to amend the local emergency housing rent

control act, in relation to rent regulation laws

#### PURPOSE:

To restore home rule to New York City regarding a critical local issue by returning its power to address legislatively its worsening housing affordability and homeless crisis; to preserve remaining affordable housing by enacting enhanced rent and eviction protections.

#### SUMMARY OF PROVISIONS:

This act includes provisions repealing the 1971 'Urstadt Law,' which prohibits cities with populations of one million or more from strengthening rent and eviction protections, and the 2003 amendment to it that further curtailed the City's home rule powers.

#### JUSTIFICATION:

Since 1971, when home rule over rent and eviction protections was taken away, New York City's housing situation has gone from chronic shortage to acute crisis. According to the 2002 NYC Housing and Vacancy Survey, the rental vacancy rate is 2.94%; a vacancy rate of less than 5% creates abnormal market conditions. Rent hardship afflicts poor and middle-class households alike, with half of all New Yorkers paying at or over the federal hardship level of 30% of income in rent, and a forth of all households paying more than half their income in rent. Firefighters, nurses, teachers, police officers, nurses, construction workers, seniors, artists and thousands of other New Yorkers can no longer afford to live in the communities they serve. More and more low-income families have become homeless - there are more homeless people in NYC than at any time since the Great Depression.

As families are forced out of their homes, the rents are frequently increased to exorbitant levels, contributing to an even tighter housing market. The NYC Rent Guidelines Board found that at least 12,692 rent-stabilized units were deregulated last year alone, more than 8,200 of these due to vacancy decontrol. Unless the regulations governing rent and eviction protections are strengthened, hundreds of thousands of additional affordable units are likely to be lost during the next decade.

While communities across the state face a range of housing difficulties, the housing market in NYC is unlike any other in the state. NYC's local government is in the best position to understand and address the conditions created by this market. Currently, however, because its hands are

RETRIEVE BILL Page 2 of 2

tied by the Urstadt Law, the local government is powerless to deal with the housing crisis within its borders.

This act restores NYC's home rule in this critical area of local concern, so that it can adopt rational policies to protect more than 2.4 million residents in one million rent controlled and stabilized apartments. This act also removes the impediment to the local government's ability to protect tens of thousands of families facing the devastating loss of protections under existing Mitchell-Lama and Section 8 programs.

FISCAL	IMPLICA	TIONS:
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None.

#### LOCAL FISCAL IMPLICATIONS:

None.

#### EFFECTIVE DATE:

Immediately.

# STATE OF NEW YORK

4069

2007-2008 Regular Sessions

### IN ASSEMBLY

January 31, 2007

Introduced by M. of A. V. LOPEZ, WRIGHT, DINOWITZ, GRANNIS -- MultiSponsored by -- M. of A. BENJAMIN, BING, COLTON, ESPAILLAT, GLICK,
GOTTFRIED, GREENE, JACOBS, LAFAYETTE, LENTOL, MAYERSOHN, ORTIZ, PERALTA, PHEFFER, P. RIVERA, ROBINSON, TOWNS -- read once and referred to
the Committee on Housing

AN ACT to amend the local emergency housing rent control act, in relation to rent regulation laws

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

Section 1. Subdivision 5 of section 1 of chapter 21 of the laws of 1962, constituting the local emergency housing rent control act, as amended by chapter 82 of the laws of 2003, is amended to read as follows:

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

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Notwithstanding any local law or ordinance, housing accommodations which became vacant on or after July first, nineteen hundred seventy-one or which hereafter become vacant shall be subject to the provisions of the emergency tenant protection act of nineteen seventy-four, provided, however, that this provision shall not apply or become effective with respect to housing accommodations which, by local law or ordinance, are made directly subject to regulation and control by a city housing rent agency and such agency determines or finds that the housing accommodations became vacant because the landlord or any person acting on his 10 behalf, with intent to cause the tenant to vacate, engaged in any course 11 of conduct (including but not limited to, interruption or discontinuance of essential services) which interfered with or disturbed or was intended to interfere with or disturb the comfort, repose, peace or quiet of the tenant in his use or occupancy of the housing accommodations. The removal of any housing accommodation from regulation and control of rents pursuant to the vacancy exemption provided for in this 17 paragraph shall not constitute or operate as a ground for the subjection to more stringent regulation and control of any housing accommodation in such property or in any other property owned by the same landlord, notwithstanding any prior agreement to the contrary by the landlord. The vacancy exemption provided for in this paragraph shall not arise with respect to any rented plot or parcel of land otherwise subject to the provisions of this act, by reason of a transfer of title and possession occurring on or after July first, nineteen hundred seventy-one of a dwelling located on such plot or parcel and owned by the tenant where 25 such transfer of title and possession is made to a member of the 27 tenant's immediate family provided that the member of the tenant's immediate family occupies the dwelling with the tenant prior to the transfer 29 of title and possession for a continuous period of two years. 30

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Notwithstanding any other provision of law, on and after the effective date of this paragraph, a city having a population of one million or more shall not, either through its local logiclative body or otherwise, adopt or amend local laws or ordinances with respect to the regulation and control of residential rents and eviction, including but not limited to prevision for the establishment and adjustment of rents, the classification of housing accommodations, the regulation of evictions, and the enforcement of such local laws or ordinances, or otherwise adopt laws or ordinances pursuant to the provisions of this act, the emergency tenant protection act of mineteen seventy four, the New York city rent and rehabilitation law or the New York city rent stabilization law, except to the extent that such city for the purpose of reviewing the centinued

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need for the existing regulation and central of residential rents or to remove a classification of housing accommodation from such regulation and central adopts or amende local laws or ordinances pursuant to subdivision three of section one of this act, section three of the emergency tenant protection act of minetoen seventy four, section 26-415 of the New York sity rent and rehabilitation law, and sections 26-502 and 26-520 of the New York sity rent stabilization law of minetoen hundred cixty-nine-

Notwithstanding any provision of this act to the contrary, any local law adopted pursuant to this act shall provide that notwithstanding any provision of such local law in the case where all tenants occupying the housing accommodation on the effective date of this paragraph have vacated the housing accommodation and a family member of such vacating tenant or tenants is entitled to and continues to occupy the housing accommodation subject to the protections of such act, if such accommodation continues to be subject to such act after such family member vacates, on the occurrence of such vacancy the maximum collectable rent shall be increased by a sum equal to the allowance then in effect for vacancy leases for housing accommodations covered by the rent stabilization law of nineteen hundred sixty-nine, including the amount allowed by paragraph (5-a) of subdivision c of section 26-511 of such law. This increase shall be in addition to any other increases provided for in this act and shall be applicable in like manner to each second subsequent succession.

Notwithstanding the foregoing, no local law or ordinance shall subject to such regulation and control any housing accommodation which is not occupied by the tenant in possession as his primary residence; provided, however, that such housing accommodation not occupied by the tenant in possession as his primary residence shall continue to be subject to regulation and control as provided for herein unless the city housing rent agency issues an order decontrolling such accommodation, which the agency shall do upon application by the landlord whenever it is established by any facts and circumstances which, in the judgment of the agency, may have a bearing upon the question of residence, that the tenant maintains his primary residence at some place other than at such housing accommodation.

\$ 2. This act shall take effect immediately; provided, however, that the amendments to subdivision 5 of section 1 of chapter 21 of the laws of 1962 made by section one of this act shall remain in full force and effect only so long as the public emergency requiring the regulation and control of residential rents and evictions continues, as provided in 42 subdivision 3 of section 1 of the local emergency housing rent control act.

## NEW YORK STATE ASSEMBLY MEMORANDUM IN SUPPORT OF LEGISLATION submitted in accordance with Assembly Rule III, Sec 1(f)

BILL NUMBER: A4069

SPONSOR: Lopez V (MS)

TITLE OF BILL: An act to amend the local emergency housing rent control act, in relation to rent regulation laws

PURPOSE OR GENERAL IDEA OF BILL: This bill would amend the local emergency housing rent control act by removing the provision that prohibits cities of one million or more from strengthening rent regulation laws to provide more comprehensive coverage than provided by state laws.

<u>JUSTIFICATION</u>: State rent laws are "authorizing" legislation. Through this authorizing legislation, the State grants municipalities the right to impose a rent regulatory system and sets the parameters of that system. Currently, as a provision of the local emergency housing rent control act, municipalities which "opt into" this legislation have the option to extend the laws as they currently read or weakening the laws' coverage. They cannot strengthen the laws to provide more comprehensive coverage than that allowed in State statute.

This bill would remove the provision prohibiting cities of one million

This bill would remove the provision prohibiting cities of one million or more from strengthening the laws to provide more comprehensive coverage than allowed by State statute.

#### PRIOR LEGISLATIVE HISTORY:

A6532-a in the 1997/98 Session A6957 in the 1999/00 Session A1307 in the 2001/02 Session A2071 in the 2003/04 Session A4523 in the 2005/06 Session

FISCAL IMPLICATIONS: None

**EFFECTIVE DATE:** Immediately