



**THE COUNCIL OF THE CITY OF NEW YORK
FINANCE DIVISION
PRESTON NIBLACK, DIRECTOR
FISCAL IMPACT STATEMENT**

PROPOSED INTRO 291-A

COMMITTEE: Housing & Buildings

TITLE: To amend the administrative code of the city of New York, in relation to penalties for violating the housing maintenance code by failing to provide adequate heat and hot water.

SPONSORS: The Public Advocate (Mr. de Blasio) and Council Members Brewer, Chin, Lander, Mealy, Foster, Vann, Rodriguez, Garodnick, Williams, Weprin, Mendez, Levin, Mark-Viverito, Lappin, Sanders Jr., Rose, Palma, James, Van Bramer, Ferreras, Dromm, Jackson, Cabrera, Gonzalez, Arroyo, Gentile, Reyna and Barron

SUMMARY OF LEGISLATION: This legislation would amend the Housing Maintenance Code (HMC) by subjecting a landlord to the higher civil penalty range of \$500-\$1000 for subsequent violations related to failing to provide adequate heat and hot water when these violations occur within two consecutive calendar years or Heat Seasons. Currently landlords are required by law to provide heat from October 1 through May 31 (Heat Season) and hot water year-round. The initial civil penalty range for violating these laws is from \$250-\$500 per day for each violation until the date the violation is corrected. For subsequent violations during the same calendar year or Heat Season, the civil penalty range is from \$500-\$1,000 per day for each violation. This legislation would amend the HMC by providing that subsequent violations will be measured over two consecutive calendar years or Heat Seasons rather than only measuring such violations during one calendar year or Heat Season. In addition, this legislation would establish a new defense for landlords who have subsequent violations related to failing to provide adequate heat and hot water and would allow a landlord to show where the violations occurred in consecutive calendar years or Heat Seasons, documentation of prompt and diligent efforts to correct the conditions that caused the initial violation and that the conditions were corrected. If successfully demonstrated, the subsequent violation would be treated as an initial violation subject to the penalty range of \$250-\$500 per day until the date the violation is corrected.

EFFECTIVE DATE: This local law shall take effect on October 1, 2011, except that the Commissioner of Housing Preservation and Development shall take such actions as are necessary for its implementation, including the promulgation of rules, prior to such effective date.

FISCAL YEAR IN WHICH FULL FISCAL IMPACT ANTICIPATED: N/A

FISCAL IMPACT STATEMENT:

	Effective FY11	FY Succeeding Effective FY12	Full Fiscal Impact FY12
Revenues (+)	\$0	\$0	\$0
Expenditures (-)	\$0	\$0	\$0
Net	\$0	\$0	\$0

IMPACT ON REVENUES: No impact on revenues

IMPACT ON EXPENDITURES: The amendments to this legislation will only impose small technical changes to the way the Department of Housing Preservation and Development (HPD) enforces heat and hot water violations, thereby allowing the agency to absorb these changes with existing budgetary resources.

SOURCE OF FUNDS TO COVER ESTIMATED COSTS: N/A

SOURCE OF INFORMATION: N/A

ESTIMATE PREPARED BY: Latonia McKinney, Deputy Director
Anthony Brito, Senior Legislative Financial Analyst

HISTORY: Introduced by the City Council and referred to Housing and Buildings Committee as Intro. 291 on June 29, 2010. On February 8, 2011 a hearing was held on the bill and the bill was laid over. An amendment has been proposed, and the amended legislation, Proposed Intro. No. 291-A is scheduled to be voted out of the Housing and Building Committee on March 2, 2011 and by the Full Council on March 2, 2011.