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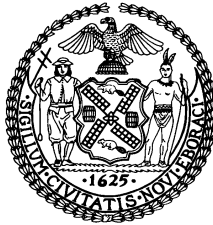
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THE COUNCIL OF THE CITY OF NEW YORK

REPORT OF THE FINANCE AND HUMAN SERVICES DIVISIONS

COMMITTEE ON FINANCE
HON. JULISSA FERRERAS, CHAIR

COMMITTEE ON AGING
HON. MARGARET CHIN, CHAIR

May 1, 2014

Int. 243: A Local Law in relation to increasing the maximum income level qualifying for exemption from rent increases granted to certain senior citizens.

Res. 185: Resolution calling upon the New York State Legislature to pass and the Governor to sign S.1218 and A.1790, legislation that would link income threshold increases for the senior citizen rent increase exemption (SCRIE) program to changes in the consumer price index.

Oversight: The Senior Citizen Rent Increase Exemption Program: Examining Strategies for Improving the Administration of SCRIE.

I. Introduction

Today, the Committee on Finance and the Committee on Aging will meet to consider: Int. 243, a Local Law in relation to increasing the maximum income level qualifying for exemption from rent increases granted to certain senior citizens; and Res. 185, A Resolution calling upon the New York State Legislature to pass and the Governor to sign S.1218 and A.1790, legislation that would link income threshold increases for the Senior Citizen Rent Increase Exemption (SCRIE) program to changes in the Consumer Price Index. The Committees will also hold an oversight hearing entitled “*Strategies for Improving the Administration of SCRIE.*” The Department of Finance (“DOF”), and the Department for the Aging (“DFTA”) has been invited to testify, as well as members of the public.

II. Background

The SCRIE program protects eligible renters from certain increases imposed by their landlord.¹ In return, the landlord receives property tax abatement equal to the amount of the rent forgiven. Tenants currently are eligible for the SCRIE program if: 1) they are at least 62 years old; 2) they have a total household income that does not exceed \$29,000; 3) they reside in a rent

¹ See Chapter 689 of the Laws of 1972.

controlled or rent stabilized apartment,² a Mitchell Lama complex or a rent regulated residential hotel; and 4) the maximum rent or legal regulated rent is increased to a level that exceeds one-third of the household's income.³ There are approximately 53,000 seniors throughout 15,000 buildings enrolled in SCRIE.⁴ The average SCRIE benefit received by landlords renting to such seniors equates to approximately 7 percent of each building's property tax bill.⁵

III. Int. No. 243

On March 31, 2014, Governor Andrew Cuomo signed into law Chapter 55 of 2014 ("State Law"), which increased the maximum income level qualifying for exemption from rent increases granted to certain senior citizens.⁶ The State Law authorized localities throughout the State of New York to adopt a local law to increase the maximum income level qualifying for SCRIE from \$29,000 to \$50,000. Int. No. 243 would provide for implementation of the rent threshold increase for SCRIE applicants residing in New York City. Such increase would be in effect for those applying to the SCRIE program from the date of enactment of the local law until March 31, 2016. After March 31, 2016, the maximum income level qualifying for SCRIE would revert back to \$29,000.

² Rent control generally applies to residential buildings constructed before February, 1947 in municipalities for which an end to the postwar rental housing emergency has not been declared. For an apartment to be under rent control, the tenant must generally have been living there continuously since before July 1, 1971 or for less time as a successor to a rent controlled tenant. When a rent controlled apartment becomes vacant, it either becomes rent stabilized or is removed from regulation, generally becoming stabilized if the building has six or more units and if the community has adopted the [Emergency Tenant Protection Act](#). In New York City, rent stabilized apartments are generally those apartments in buildings of six or more units built between February 1, 1947 and January 1, 1974. Similar to [rent control](#), stabilization provides other protections to tenants besides regulation of rental amounts. Tenants are entitled to receive required services, to have their leases renewed, and not to be evicted except on grounds allowed by law. Leases may be entered into and renewed for one or two year terms, at the tenant's choice. See Chapters 3 and 4 of Title 26 of the New York City Administrative Code.

³ See § 467-c of the New York Real Property Tax Law; and §§ 26-405m, 26-406, and 26-509 of the New York City Administrative Code.

⁴ See Annual Report of New York City Tax Expenditures, Fiscal year 2014 at 10, available at http://www.nyc.gov/html/dof/downloads/pdf/reports/reports%20-%20tax_expenditure/ter_2014_final.pdf (last visited April 30, 2014); see also Transcript of September 27, 2011 Finance Committee hearing, at 96.

⁵ See Transcript of September 27, 2011 Finance Committee hearing, at 30.

⁶ N.Y. Chapter Law 55 of 2014.

The State Law also provides that the State would reimburse the City for the cost of real property tax abatements for the newly eligible higher income households between July 1, 2014 and June 30, 2016. As with the income threshold increase, the State Law reimbursement for the SCRIE program would also sunset March 31, 2016.

A. Effect of the SCRIE Increase

As of Fiscal Year 2014, there are 53,185 seniors enrolled in the SCRIE program. The cost of the SCRIE program to the City is \$135.7 million. Disaggregated by borough:

	Population Served	Cost to City
Bronx	9,225	\$18.7M
Brooklyn	14,953	\$37.3M
Manhattan	17,509	\$48.7M
Queens	11,156	\$30.3M
Staten Island	342	\$0.6M

To date, it is unclear how the increase will impact the pool of people who are eligible to enroll in SCRIE. In 2012, DOF communicated to the Council that it is working with other agencies to investigate reliable datasets and analytic methods for targeting seniors who could be eligible for SCRIE, but who have not yet enrolled. The Committees look forward to hearing from DOF on the potential impact that the income increase would have the number of people who would now be eligible for SCRIE, and whether DOF has the current capacity to process the additional applications that would result.

IV. Res. No. 185

Res. No. 185 describes the history of the SCRIE program, which was established in 1970 to help low-income senior citizens remain in their homes by freezing their rents. The resolution goes on to discuss how the State must authorize increases in the increase threshold for eligibility and how it has only done so twice in the past ten years – in 2005 when the threshold was increased from \$24,000 to \$29,000 over a four-year period and in the aforementioned 2014 increase authorization.⁷ As the SCRIE income threshold remains relatively static, recipients in New York City are left vulnerable to losing eligibility when their Social Security income rises following cost-of-living adjustments, also known as COLAs.⁸ Since 2005, there have been eight automatic COLAs to Social Security, while the maximum SCRIE income level remained flat.⁹

In January 2013, New York State Senator Bill Perkins and Assembly Member Joan Millman introduced legislation that would provide for an annual adjustment of the SCRIE income threshold to reflect any increase in the Consumer Price Index (CPI).¹⁰ The resolution argues that by linking SCRIE to the regional CPI, thousands New York City seniors would be able to remain in the program without relying on State action and could live without worry that COLA increases to Social Security could cause them to lose SCRIE eligibility.

V. Examining DOF's implementation of the SCRIE program

A. 2009 Transfer of SCRIE to DOF

Prior to 2009, DFTA administered the SCRIE program for tenants living in rent controlled and rent stabilized apartments and hotel units. This was done in collaboration with DOF. As an

⁷ N.Y. Chapter Law 55 of 2014; N.Y. Chapter Law 205 of 2005.

⁸ U.S. Social Security Administration, History of Automatic Cost-of-Living Adjustments, <http://www.ssa.gov/cola/automatic-cola.htm> (last accessed April 27, 2014).

⁹ *Id.*

¹⁰ S.1218 and A.1790 (2014).

agency that deals with primarily with seniors and issues impacting older adults, DFTA employs social workers and case workers, who are capable of and trained to handle issues unique to senior citizens and disabled individuals, including application assistance, and outreach. When SCRIE was administered by DFTA, its staff gathered financial information from applicants, reviewed it, and determined whether the applicants were eligible for the SCRIE program. Once DFTA established eligibility and calculated the SCRIE benefit and tax abatement amounts, the agency notified DOF. DOF then granted the landlord tax abatement for that tenant. DFTA also processed renewals and re-determinations.

In 2009, Mayor Bloomberg signed Local Law 44 of 2009, legislation to transfer the administration of the SCRIE program from DFTA to DOF.¹¹ According to the bill's memo in support, the assumption of SCRIE operations by DOF was designed to:

achieve a better customer service experience for seniors as well as reduce administrative burdens on the City. DOF has the technological capacity to streamline the SCRIE process by cross-checking databases to make determinations with respect to initial eligibility and renewal applications. DOF's administration of the SCRIE benefit may thus reduce the need for seniors to provide supporting documentation, and concurrently reduce the turnaround time for seniors waiting for their benefits.¹²

B. Problems with DOF's Implementation of SCRIE

While the assumption of SCRIE operations by DOF was designed to achieve a better customer service experience for seniors as well as reduce administrative burdens on the City, two years following the transfer of SCRIE to DOF this assumption was not proven true. On September 27, 2011, the Finance Committee, jointly with the Aging Committee, held an oversight hearing to examine DOF's implementation of the SCRIE program, and learn about the successes and failures DOF has encountered when implementing the program. As a result of the

¹¹ See Local Law 44 of 2009.

¹² See Memorandum of Support, A Local Law to amend the administrative code of the city of New York, in relation to the administration of the senior citizen rent increase exemption program.

hearing, the Committees learned that DOF's process of administering the program was inefficient. Specifically, the Committees learned the following:

- *Application Delays.* Seniors had experienced delays in the time it takes to process the initial SCRIE application and renewal application. Some delays had been as long as 6 months.¹³
- *Inadequate Staffing.* DOF only had 13 full time staff members to deal with SCRIE issues, compared to DFTA, which had 31 employees. Out of the 13 staff members at DOF, only 8 staff members handled customer service.¹⁴
- *Failure to mail a Tax Abatement Credit ("TAC") report on a consistent basis, if at all.*¹⁵ TAC reports provide detailed information on the landlord's tax abatement credits for each SCRIE tenant. This report shows the rent calculation for the TAC, gives the effective dates, exemption amount, and the amount the tenant is responsible for paying. It also shows the dates that the credits were electronically transferred to the landlord's SCRIE property tax account. DOF's submission of TAC reports to landlords had been inconsistent, and in some cases, non-existent. Without this report, owners only see a lump sum SCRIE credit on their Statement of Account, and have no way of knowing if they are receiving the proper amount of SCRIE credits, and whether each SCRIE tenant in their building has been accounted for.
- *Inability to communicate effectively to DOF.* Unlike the administration of the SCRIE program under DFTA, in order to communicate an issue to DOF regarding SCRIE, or to request a SCRIE application, the public must dial 311. DOF does not post a public telephone number that SCRIE tenants or owners with SCRIE tenants can use to contact someone directly at DOF about the SCRIE program. The 311 operators have no authority to effect any change or correct any mistakes, nor are they particularly knowledgeable about the SCRIE program. Rather, they simply enter a service request into a computer system, give the caller a confirmation number, and tell the caller to expect to be contacted by DOF regarding the request. At the hearing, DOF Commissioner Frankel stated that he believed "311 has been a tremendous success in the city", and the best way to field calls is "through centralized processing".¹⁶
- *No application and/or misapplication of SCRIE credits to the July 1, 2011 property tax bill.* At the hearing, Commissioner Frankel stated that a "computer glitch" caused errors in landlords' property tax bills. The July 2011 bills sent to ALL SCRIE landlords either 1) did not have any SCRIE credits applied to their tax bill; or 2) the incorrect amount was applied. This affected ALL 15,000 buildings receiving SCRIE benefits. The Commissioner also stated that he was aware of the misapplication/non-application of the

¹³ See Transcript of September 27, 2011 Finance and Aging Committee hearing beginning on 142 to end.

¹⁴ See *id.* at 39.

¹⁵ See *id.* at 36-38.

¹⁶ See *id.* at 28.

SCRIE credits prior to mailing the SCRIE bills.¹⁷ The Commissioner further stated while he knew in advance of the erroneous tax bills, he only sent letters notifying the landlords of the error in advance of the mailed tax bills to a third of SCRIE landlords, or about 5,000 of such landlords.¹⁸

- *Lack of Public Information on SCRIE program.* Prior to the transfer of the SCRIE program from DFTA to DOF in 2009, DFTA made publicly available a 40-page guide providing great detail on the SCRIE program, including rights and responsibilities of tenants and owners.¹⁹ This guide, which also contained sample forms, frequently asked questions, a glossary of terms, and application procedures, served as a useful resource to tenants, owners, and the public at large. DOF, however, did not offer such a detailed guide. Rather, information about SCRIE provided by DOF was segregated into many different locations on DOF's website. Seniors had to navigate through several fields and links on DOF's website to obtain a thorough understanding of the SCRIE program and its processes. At the hearing, a DOF Assistant Commissioner testified that while they did not have a comprehensive document available, they did have a five page Frequently Asked Questions ("FAQ") document regarding SCRIE that was available on line and downloadable.²⁰

C. Comptroller Audit Report

Four days prior to the September 27, 2011 hearing, the New York City Comptroller issued an audit of the implementation of the SCRIE program under DOF.²¹ Some of the findings included:

- *Untimely TAC issuance:* Inadequate controls to ensure the proper issuance of TACs to landlords, which contributed to \$8.5 million in potentially ineligible benefits issued during the Comptroller's 17 month scope period on behalf of tenants who died.
- *Poor identification of changed circumstances:* No mechanism to identify instances in which SCRIE benefits may need to be discontinued because of a change in circumstances, such as a tenant's death, or when mail is returned or leases are not renewed. According to DOF, landlords and SCRIE recipients are required to report a tenant's death within 30 days of death. However, if DOF is not notified, then it will continue to issue TACs to the landlord. From January 2010 to November 2010, DOF paid a total of \$8.3 million on behalf of 2,052 deceased tenants. DOF recouped only \$900,000 of this amount. (From July 2009 to November 30, 2010, 3,801 tenants who received SCRIE benefits were deceased, totaling \$11.8 million, recouping only \$3.3 million). DOF records did not reflect the death of the recipient nor were there controls in

¹⁷ See *id.* at 70.

¹⁸ See *id.* at 81.

¹⁹ See Your Guide to the Senior Citizen Rent Increase Exemption Program at <http://www.50statelegalforms.com/files/form3/form31486.pdf> (last accessed April 25, 2014).

²⁰ See Transcript of September 27, 2011 Finance and Aging Committee hearing at 94.

²¹ Audit Report on the Department of Finance's Administration of the SCRIE program, available at http://www.comptroller.nyc.gov/bureaus/audit/PDF_FILES_2011/MG11_053A.pdf (last accessed April 25, 2014).

place to ascertain the decedent's beneficiaries, or whether the remaining household members qualified for SCRIE.

- *Delay in application processing:* DOF processed applications for an entire year without a policy and procedures manual, and without any formal training.
- *Inadequate maintenance of files:* No central record to manage files containing original documents processed, and accounts of former employees were not deactivated.

Based on these findings, the Comptroller issued the following recommendations:

- *Develop comprehensive policies and procedures for issuing TACs*
 - **Follow-up audit result:** (*Follow-up audit issued on December 3, 2012*): Implemented. To ensure TACs are issued timely to landlords, they now have 9 standard operating procedures with specific instructions for staff to use in processing SCRIE applications and TACs.
- *Periodically match recipients listed in the SCRIE database against the Social Security Administration's Death Master File.*
 - **Follow-up audit result:** Partially implemented: Does monthly cross-checks with SSA Death Master File with open accounts (those with current leases or pending applications), but they do NOT do cross check on those who failed to renew. (Since a SCRIE tenant is allowed to receive the benefit for 6 months after they fail to renew and DOF fails to check these individuals with the SSA Death Master File, DOF could be issuing checks for deceased individuals for 6 months).
- *Investigate the benefits issued on behalf of the deceased tenants.*
 - **Follow-up audit result:** Implemented. Revoked 2,291 benefits, and recouped \$9.8 million. 57 though still had open accounts
- *Develop controls to identify deceased tenants with eligible household members.*
 - **Follow-up audit result:** Implemented: They have updated their procedures to ensure that DOF records are updated and the benefit is transferred correctly and the tenant's date of birth and social security number are on file.
- *Develop controls to ensure TACs are issued on behalf of eligible tenants, even those who do not have social security numbers.*
 - **Follow-up audit result:** Implemented. They now use the Lexis Nexis legal engine to ensure TACs are issued on behalf of eligible tenants, even those who do not have social security numbers.
- *Create a central log listing all application filed and improve its filing system to ensure all applications and supporting documents are easily retrievable and secure.*

- **Follow-up audit result:** Implemented. The current file archive will be amended to include application number. They are now scanning and storing all SCRIE documents.
- *Periodically review activity on the computer system to detect unauthorized use.*
 - **Follow-up audit result:** Implemented. DOF deactivated unauthorized SCRIE user accounts, and reviews SCRIE access codes quarterly.

D. DOF SCRIE Update to the Finance Committee on May 1, 2012

On May 1, 2012, subsequent to the hearing, DOF sent an update to the Committee on Finance to inform the Council about the improvements they made regarding the SCRIE program.

DOF updated the Committee on the following:

- *Direct response to 311 service requests:* DOF is reorganizing to contact seniors directly with answers to SCRIE questions when 311 is unable to provide an immediate answer.
- *SCRIE brochure:* DOF revised DFTA’s previous “SCRIE Blue Book”, which is 28-pages long and available on DOF’s website.
- *SCRIE unit:* DOF is creating a six-employee Customer Service Unit for all personal exemptions and abatements, and is currently recruiting a director and three additional customer service staff. This group will be tasked with responding directly to seniors who have SCRIE service requests generated through 311.
- *Sensitivity training for DOF staff:* Outreach Coordinator for Seniors” position within External Affairs and plans to assign an experienced outreach staffer to this post.
- *SCRIE eligibility targeting:* DOF is working with other agencies to investigate reliable datasets and analytic methods for targeting seniors who could be eligible for SCRIE but who have not yet enrolled.
- *SCRIE training:* SCRIE training for Senior Center staff and elected officials’ constituent services staff.

VI. 2014 UPDATE

Today's hearing will examine DOF's implementation of the SCRIE program, and their progress since 2012 regarding SCRIE administration. Specifically, the Committees are interested in learning more about:

- *Dedicated phone line.* Whether DOF has considered establishing a dedicated phone to respond to inquiries from landlords and tenants on SCRIE issues, rather than relying on 311 to field calls.
- *DFTA role in outreach:* When DFTA was transferred to DOF in 2009, the two agencies entered into a Memorandum of Understanding ("MOU") that specified that DFTA would continue its outreach efforts "*indefinitely.*"²² According to the MOU, such outreach included presentations at senior centers, community boards, entitlement events, and community based organizations. It is unclear to the Committees, however, whether this outreach occurred, and the extent and consistency of such outreach.
- *DOF's role in the Food Stamp program.* Pursuant to the MOU, DOF is required to participate in the U.S. Department of Agriculture two-year grant program to enroll SCRIE clients in the Food Stamp program. This project involves data matching and outreach at DFTA senior centers and Food Bank sites citywide. It is unclear whether DOF participates in this program.
- *Sensitivity training for DOF staff:* Whether the sensitivity training proposed by DOF has occurred, and if so, the scope and frequency of such trainings.
- *SCRIE eligibility targeting:* Whether DOF has developed reliable datasets and analytic methods for targeting seniors who could be eligible for SCRIE but who have not yet enrolled.
- *SCRIE training for elected officials and senior centers:* Whether this training proposed by DOF has occurred, and if so, the scope and frequency of such trainings.
- *Comptroller audit follow-up:*
 - Whether DOF will do cross-checks on open accounts and those who fail to renew. While DOF stated that it does monthly cross-checks with SSA Death Master File with open accounts (those with current leases or pending applications), they stated that do not do cross checks on those who fail to

²² See Interagency Agreement between Department of Finance and Department for the Aging, executed September 2009, at clause 9.

renew their benefit. Consequently, in some cases, DOF could issue checks for 6 months to deceased individuals.

- *SCRIE benefits to deceased individuals.* Whether DOF revoked all benefits previously awarded to deceased tenants and recouped all money previously dispersed.

VII. Conclusion

The SCRIE program has served as a lifeline for thousands of New York City seniors for years. The State's authorization of the expansion of SCRIE provides an ideal opportunity to examine the administration of the program and ways in which the City can improve the application and renewal processes and its customer service practices. In addition, the rent threshold increase included in the State's most recent budget marks the first increase in nearly five years, provides a timely opportunity to consider a resolution that explores the possibility of negating the need for future State authorizations by automatically linking SCRIE increases to changes in the CPI. Today, the Committees on Finance and Aging hope to hear what steps the City is taking to ensure that the SCRIE continues to serve New York City seniors in the most effective manner possible.

Int. No. 243

By Council Members Chin, Ferreras, Williams, Arroyo, Cabrera, Constantinides, Deutsch, Dickens, Eugene, Gibson, Koslowitz, Levine, Mendez, Rose, Torres, Cohen, Rosenthal and Johnson

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to increasing the maximum income level qualifying for exemption from rent increases granted to certain senior citizens.

Be it enacted by the Council as follows:

Section 1. Subparagraph ii of paragraph 2 of subdivision m of section 26-405 of the administrative code of the city of New York, as amended by local law number 44 for the year 2009, is amended to read as follows:

(ii) the aggregate disposable income (as defined by regulation of the department of finance) of all members of the household residing in the housing accommodation whose head of household is sixty-two years of age or older does not exceed twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, [and] twenty-nine thousand dollars beginning July first, two thousand nine, and fifty thousand dollars beginning July first, two thousand fourteen per year, after deduction of federal, state and city income and social security taxes. For purposes of this subparagraph, "aggregate disposable income" shall not include gifts or inheritances, payments made to individuals because of their status as victims of Nazi persecution, as defined in P.L. 103-286, or increases in benefits accorded pursuant to the social security act or a public or private pension paid to any member of the household which increase, in any given year, does not exceed the consumer price index (all items United States

city average) for such year which take effect after the date of eligibility of a head of the household receiving benefits under this subdivision whether received by the head of the household or any other member of the household.

§ 2. Paragraph 5 of subdivision m of section 26-405 of the administrative code of the city of New York, as amended by local law number 44 for the year 2009, is amended to read as follows:

(5) A rent exemption order shall be issued to each tenant who applies to the department of finance or such agency as the mayor shall designate (which agency may also be the department of finance) in accordance with such department's or agency's regulations and who is found to be eligible under this subdivision. Such order shall take effect on the first day of the first month after receipt of such application, except that where the aggregate disposable income of all members of the household residing in the housing accommodation whose head of the household is sixty-two years of age or older is greater than five thousand dollars per year but does not exceed twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, [and] twenty-nine thousand dollars beginning July first, two thousand nine, and fifty thousand dollars beginning July first, two thousand fourteen per year pursuant to subparagraph (ii) of paragraph two of subdivision m of this section on orders issued on applications received before July first, nineteen hundred seventy-five, the effective date of such order shall be the later of (1) June thirtieth, nineteen hundred seventy-four or (2) the last day of the month in which a person becomes an eligible head of household in the housing accommodation in which such person resides at the time of filing the most recent application for a rent exemption order; and

further, except that where any other application has been received within ninety days of the issuance of the order increasing the tenant's maximum rent pursuant to paragraph three, four or six of subdivision (a) of this section, or subparagraph (a), (b), (c), or (l) of paragraph (1) of subdivision (g) of this section or pursuant to court order, whichever is later, the rent exemption order shall without further order take effect as of the effective date of said order increasing the tenant's rent including any retroactive increments collectible pursuant to such orders.

§ 3. Subparagraph ii of paragraph 2 of subdivision b of section 26-509 of the administrative code of the city of New York, as amended by local law number 44 for the year 2009, is amended to read as follows:

(ii) the aggregate disposable income (as defined by regulation of the department of finance) of all members of the household residing in the housing accommodation whose head of the household is sixty-two years of age or older does not exceed twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, [and] twenty-nine thousand dollars beginning July first, two thousand nine, and fifty thousand dollars beginning July first, two thousand fourteen per year, after deduction of federal, state and city income and social security taxes. For purposes of this subparagraph, "aggregate disposable income" shall not include gifts or inheritances, payments made to individuals because of their status as victims of Nazi persecution, as defined in P.L. 103-286, or increases in benefits accorded pursuant to the social security act or a public or private pension paid to any member of the household which increase, in any given year, does not exceed the consumer price index (all items United States city average) for such year which take effect after the eligibility date of the head of the

household receiving benefits under this section whether received by the head of the household or any other member of the household;

§ 4. Subdivision d of section 26-601 of the administrative code of the city of New York, as amended by local law numbers 75 and 76 for the year 2005, is amended to read as follows:

d. "Eligible head of the household" means a person or his or her spouse who is sixty-two years of age or older or who qualifies as a person with a disability pursuant to section 26-617 of this chapter and is entitled to the possession or to the use and occupancy of a dwelling unit, provided, however, that with respect to a dwelling which was subject to a mortgage insured or initially insured by the federal government pursuant to section two hundred thirteen of the national housing act, as amended, "eligible head of the household" shall be limited to that person or his or her spouse who was entitled to possession or the use and occupancy of such dwelling unit at the time of termination of such mortgage, and whose income when combined with the income of all other members of the household whose head of household is sixty-two years of age or older does not exceed twenty-five thousand dollars beginning July first, two thousand five, twenty-six thousand dollars beginning July first, two thousand six, twenty-seven thousand dollars beginning July first, two thousand seven, twenty-eight thousand dollars beginning July first, two thousand eight, [and] twenty-nine thousand dollars beginning July first, two thousand nine, and fifty thousand dollars beginning July first, two thousand fourteen for the taxable period, or whose income for the current income tax year when combined with the income of all members of the household residing in the housing accommodation whose head of the household is a person with a disability does not exceed the maximum income above which such head of the household would not be eligible to receive cash supplemental security income benefits under federal law during such tax year.

§ 5. This local law shall take effect immediately.

KET 4/1/14 2:40PM
LS 1261/2014

Res. No. 185

Resolution calling upon the New York State Legislature to pass and the Governor to sign S.1218 and A.1790, legislation that would link income threshold increases for the senior citizen rent increase exemption (SCRIE) program to changes in the consumer price index.

By Council Members Chin, Koslowitz and Ferreras

Whereas, In 1970, New York City instituted the senior citizen rent increase exemption (SCRIE) program to shield low-income seniors from rising housing costs by offering landlords a property tax abatement in exchange for freezing the rent of eligible senior tenants; and

Whereas, Tenants are eligible for the SCRIE program if they are at least 62 years old, have a total household income that does not exceed \$50,000 as of July 1, 2014, reside in a rent controlled or rent stabilized apartment, rent regulated hotel, or an apartment owned by a Mitchell-Lama development, and spend more than one-third of monthly income on rent; and

Whereas, More than 53,000 senior households are protected from rent increases under the SCRIE program; and

Whereas, Income eligibility requirements for SCRIE are set forth in State law and thus can only be amended with the approval of the State Legislature and the Governor; and

Whereas, The State has only acted to raise the maximum income levels for SCRIE eligibility twice in the past ten years; and

Whereas, Allowing the maximum income level for SCRIE to remain static leaves seniors vulnerable to losing program eligibility due to increases in inflation and cost of living adjustments to entitlement programs such as Social Security; and

Whereas, In January 2013, New York State Senator Bill Perkins and Assembly Member Joan Millman introduced S.1218 and A.1790, legislation that would provide for an annual

adjustment of the maximum income threshold for eligibility for SCRIE to reflect any increase in the consumer price index (CPI); and

Whereas, Linking SCRIE to the regional CPI would ensure that thousands of New York City seniors are able to remain in the program without relying on State action; now, therefore, be it

Resolved, That the Council of the City calls upon the New York State Legislature to pass and the Governor to sign S.1218 and A.1790, legislation that would link income threshold increases for SCRIE program to changes in the consumer price index.

KET 4/7/14 11:36AM
LS 1004/2014