



## Legislation Text

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**File #:** Res 0577-2006, **Version:** \*

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### Res. No. 577

Resolution calling upon the Department of Finance and the Environmental Control Board to implement Chapter 45 of the Laws of New York for the year 2000 in relation to the enforcement of Environmental Control Board judgments against certain owners for building code violations.

By Council Members Avella, Brewer, Gerson, James, Palma, Weprin and Jackson

Whereas, In 2000, the New York State Legislature enacted Chapter 45 of the Laws of New York which constitutes Environmental Control Board judgments for violations of the New York City Building Code as “tax liens” rather than “judgment liens” with respect to private dwellings, wooden-framed single room occupancy multiple dwellings, and dwellings with a legal occupancy of three or fewer dwelling units; and

Whereas, The purpose of the legislation was to enhance enforcement of judgments of the Environmental Control Board (ECB) by giving those ECB liens a higher legal priority as a tax lien than such a judgment has as a judgment lien; and

Whereas, According to testimony before the City Council on January 27, 2003, by New York City Comptroller William C. Thompson, Jr., a June 2002 audit of the Department of Finance revealed that the “City had failed to collect over 634 million dollars in outstanding penalties” on ECB cases and “estimated that at least 26.2 million dollars could have been collected through enhanced collection efforts”; and

Whereas, The City of New York has failed to implement this important state law; and

Whereas, The reasons given by the Administration for not implementing the provisions of Chapter 45 are set forth in letters from the Department of Finance dated May 8, 2003 and the Office of the Mayor, dated October 9, 2003, wherein it is argued that the costs and structural mechanisms associated with implementing this state law, including “linking the different databases used to store judgment debt and tax lien debt” between

ECB and the Department of Finance, are prohibitive and therefore implementation is unachievable; and

Whereas, Given the current pool of over \$600 million in uncollected ECB judgments, it is difficult to accept that the costs associated with collecting these funds when measured against the potential recovery make it prohibitive to implement the law; and

Whereas, This failure to take advantage of the provisions of Chapter 45 still exists; and

Whereas, The City of New York imposes penalties for violations of the Building Code because our lawmakers have determined that certain actions and conditions are a threat to the public's health and safety and the failure to maximize the collection of those judgments undermines that legislative policy; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the Department of Finance and the Environmental Control Board to implement Chapter 45 of the Laws of New York for the year 2000 in relation to the enforcement of Environmental Control board judgments for building code violations against certain owners.

PM/JH  
LS # 6  
6/15/06