

## HOUSING STABILITY AND TENANT PROTECTION ACT OF 2019

(\* denotes that rule applies to rental units statewide)

REGULATION	BEFORE 2019 ACT	2019 ACT REFORM
Sunset Provision	Rent regulation laws (including the Emergency Tenant Protection Act of 1974 (ETPA)) were of limited duration	The new rent regulation laws became effective on June 14, 2019 and are permanent unless changed through legislation
Geographic Restriction	State regulation laws only applicable in New York City and in the counties of Nassau, Westchester and Rockland	ETPA continues to apply to all of New York City and neighboring counties of Rockland, Westchester and Nassau but has expanded to allow any municipality in New York State that meets the statutory requirements for a housing emergency (defined as a vacancy rate of less than 5%) to opt in to rent stabilization program
Regulatory Agreement Exception	N/A	Projects that are subject to the Act through regulatory agreement and that receive federal project-based rental assistance are not subject to the same changes in preferential rent but allowed to increase rent upon renewal to the previously established Legal Rent, as adjusted by guideline board increases or other increases permitted by law
Record Retention	Owner required to maintain or produce records for four years	Maintenance of rent records for at least 6 years
Rent Overcharge Look-Back	Four year statute of limitations; look-back period limited to four years to determine reliable base rent	No statute of limitations on when a tenant must file a complaint regarding a rent overcharge and a court or the DHCR can look back 6 years or more to determine a reliable base rent
Rent Overcharge Damages	Triple amount of overcharge damages limited to overcharges occurring two years prior to complaint being filed	Owner can be liable for 6 years' worth of rent overcharges along with treble damages for that same length of time if overcharge found to be willful, even if landlord voluntarily returns the overcharge amount prior to a decision being made; Owner found to have overcharged will also pay interest, reasonable costs and attorney's fees of the proceeding
Rent Guidelines Board	Board consisting of 9 members appointed by the commissioner of housing and community renewal upon recommendation of the county legislature	Any municipality with population of less than 1 million that has opted-in shall, within 30 days after declaration of such statutory housing emergency, create a rent guidelines board consisting of 9 members appointed by the commissioner of housing and community renewal upon recommendations of local legislative body
Rent Increase for Rent-Controlled Tenants	N/A	No annual rent increase shall exceed the average of the previous 5 annual rental adjustments authorized by rent guidelines board for rent stabilized units; In NYC, existing tenant's rent in any one year period may only be increased by the lesser of either 7.5% or the average of the previous 5 years of one-year rent adjustments on rent stabilized apartments

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Owner Use Exception	Landlord could recover possession of more than one unit for personal use and occupancy and/or for the use and occupancy of a family member	For rent-regulated buildings, limits “owner use” to one unit and must be utilized as his/her or immediate family’s primary residence
Not-for-Profit	Definition of tenant was more narrow without a provision for homeless, or at risk of becoming homeless, individuals	Where not-for-profit rents apartments and provides housing to homeless or persons at risk of becoming homeless, affiliated subtenants shall be deemed to be tenants
Stabilization Maintained	No requirement to maintain stabilization for buildings operated for charitable purposes on a non-profit basis (because that type of housing accommodation is not subject to state of emergency regulation rules)	Units provided by nonprofits to homeless, or at risk of becoming homeless, persons must remain rent-stabilized
Preferential Rents	Owners can raise rent to legal regulated rent upon vacancy <i>or</i> renewal	Owners can not raise rent up to full legal regulated rent upon renewal for tenants; only upon vacancy with new incoming tenant
Vacancy Bonus	Property owner was able to raise rents as much as 20% whenever a unit became vacant	Landlords no longer allowed to raise rent by 20% each time a unit becomes vacant and a rent guidelines board cannot institute their own vacancy allowances
High Rent Vacancy and Income Deregulation	Units were allowed to be deregulated when rent reached a high-rent threshold and if the rent reached that amount and tenants earn more than \$200,000 per year for two years	Units can no longer be deregulated upon vacancy when rent reached a \$2,774 threshold (in NYC or corresponding amount in other counties) or the tenant’s income was \$200,000 or more in the preceding two years
Month-to-Month Tenant	Outside of NYC either a landlord or a tenant could terminate monthly tenancy by notifying the other at least one month prior	Outside of NYC tenants may terminate their monthly tenancy upon providing notification of at least one month to the landlord
Individual Apartment Improvements (IAIs)	No cap on IAI spending and landlords could increase rent permanently in connection therewith up to 1/40 <sup>th</sup> for buildings with 35 or fewer units and 1/60 <sup>th</sup> for buildings with more than 35 units	Landlords of rent-regulated units may only spend an aggregate of \$15,000 over a 15-year period on three separate IAIs, and may only raise rent in connection therewith (upon informed tenant consent) up to 1/168 <sup>th</sup> for buildings with 35 or fewer units and 1/180 <sup>th</sup> for buildings with more than 35 units, for a period of 30 years a. Licensed contractor must be used, and no common ownership allowed between landlord and contractor or vendor b. Owner must resolve all hazardous violations c. Written informed tenant consent to temporary rent increase d. No IAI increases for building with hazardous violations

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Major Capital Improvements (MCIs)	Rent increases never expire and improvements amortized over an 8-year period for buildings with 35 or fewer units and 9 years for buildings with more than 35 units	<p>Landlords of rent-regulated units can only increase rent up to 2% for costs associated with MCIs which costs shall be amortized over a 12-year period for buildings with 35 or fewer units and 12½ years for buildings with more than 35 units, for a period of 30 years</p> <ul style="list-style-type: none"> <li>a. Licensed contractor must be used, and no common ownership allowed between landlord and contractor or vendor</li> <li>b. No retroactive payments</li> <li>c. Schedule of reasonable costs, and a cost ceiling for what can be recovered, set by the division of housing and community renewal (“DHCR”)</li> <li>d. Rent increases pursuant to MCI costs reduced by government grants the landlord receives in compensation for the improvements and any insurance payment compensating any part of costs</li> <li>e. No MCI increases for buildings with hazardous violations</li> <li>f. No MCI increases for buildings with 35% or less rent-regulated units</li> <li>h. Tenant has 60 days (from date of mailing of notice) to answer or reply to the filing of an application for MCI rent increase</li> <li>i. Annual inspection and audit of 25% of approved MCIs</li> <li>j. DHCR shall issue notice to landlord and all tenants 60 days prior to end of rent MCI increase</li> </ul>
Landlord Retaliation	Landlord may not substantially alter terms of, or refuse to continue, a tenancy in retaliation for tenant's good faith action or complaint	If tenant makes a good faith complaint, including one for the warranty of habitability, and/or participates in such activities, landlord may not substantially alter terms of tenancy in retaliation including refusing to continue a tenancy, refusing to renew lease or offer a new one upon expiration of current lease, or offering a new lease with an unreasonable rent increase*
Cash Receipts	Landlord only obligated to provide receipt for rent paid in cash if requested in writing by the payor and no requirement to maintain records for any set length of time	Lessor shall maintain a record of all cash receipts for rent for at least 3 years

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Notice	N/A	<p>All landlords of rental units must provide tenants with notice if do not intend to renew the tenancy or intend to renew with a rent increase by 5% or more</p> <p>a. [At least 30 days' notice to tenants occupying a unit for less than one year and not having a lease term of at least one year;</p> <p>b. [At least 60 days' notice to tenants occupying a unit for more than one year but less than two years, or having a lease term of at least one year but less than two years; and</p> <p>c. [At least 90 days' notice to tenants occupying a unit for more than two years or having a lease term of at least two years*</p>
Late Fees	No set limits on late fees	<p>A charge for late payment of rent may not be incurred until 5 days after rent is due and may not exceed \$50 or 5% of monthly rent, whichever is less*</p>
Tenant Protection	N/A	<p>Landlords may not deny a rental based on potential tenant's participation or involvement in past or pending landlord-tenant proceeding. Landlords prohibited from searching and using court databases to "blacklist" tenants*</p>
Tenant Cure	N/A	<p>Payment to the landlord of the full amount of rent due prior to a hearing on petition premised on tenant defaulting in payment of rent shall be accepted by the landlord and proceeding shall be rendered moot*</p>
Unlawful Eviction	N/A	<p>Civil (fine between \$1,000 and \$10,000) and criminal (Class A misdemeanor) penalties in place for illegally evicting and/or harassing a tenant in an attempt to get them to vacate*</p>
Affirmative Defense to Eviction	N/A	<p>Failure of lessor to send to lessee, by certified mail, a written notice stating failure to receive rent may be used as an affirmative defense by such lessee in an eviction proceeding based on non-payment of rent*</p>
Duty to Mitigate	N/A	<p>If tenant breaches a lease, landlord shall take reasonable and customary actions in an attempt to rent premises at fair market value or at the rate agreed to during the terms of the tenancy, whichever is lower; new tenant's lease shall terminate the old*</p>
Security Deposits	No limit set on amount of deposit	<p>Amount of deposit limited to one month's rent and must be returned to tenant, along with itemized statement indicating basis for any amount retained, within 14 days of tenant vacating*</p>



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Co-Op and Condo Conversion	Eviction plan option allowable and required 15% of occupants (or bona fide purchasers who indicate intention to occupy) to agree to purchase in order for conversion to occur	Eviction plans are no longer allowed and requirement that 51% of occupying tenants agree to purchase apartments before the conversion can be effective *