

42 finance authority or fiscal stability authority including such powers or  
43 duties that may require the tax levy limit, as that term is defined in  
44 section one or section two of this act, to be exceeded.

45 § 13. This act shall take effect immediately; provided, however, that  
46 sections two through eleven of this act shall take effect July 1, 2011  
47 and shall first apply to school district budgets and the budget adoption  
48 process for the 2012-13 school year; and shall continue to apply to  
49 school district budgets and the budget adoption process for any school  
50 year beginning in any calendar year during which this act is in effect;  
51 provided further, that if section 26 of part A of chapter 58 of the laws  
52 of 2011 shall not have taken effect on or before such date then section  
53 ten of this act shall take effect on the same date and in the same  
54 manner as such chapter of the laws of 2011, takes effect; provided  
55 further, that section one of this act shall first apply to the levy of  
56 taxes by local governments for the fiscal year that begins in 2012 and  
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1 shall continue to apply to the levy of taxes by local governments for  
2 any fiscal year beginning in any calendar year during which this act is  
3 in effect; provided, further, that this act shall remain in full force  
4 and effect at a minimum until and including June 15, 2016 and shall  
5 remain in effect thereafter only so long as the public emergency requir-  
6 ing the regulation and control of residential rents and evictions and  
7 all such laws providing for such regulation and control continue as  
8 provided in subdivision 3 of section 1 of the local emergency rent  
9 control act, sections 26-501, 26-502 and 26-520 of the administrative  
10 code of the city of New York, section 17 of chapter 576 of the laws of  
11 1974 and subdivision 2 of section 1 of chapter 274 of the laws of 1946  
12 constituting the emergency housing rent control law, and section 10 of  
13 chapter 555 of the laws of 1982, amending the general business law and  
14 the administrative code of the city of New York relating to conversions  
15 of residential property to cooperative or condominium ownership in the  
16 city of New York as such laws are continued by chapter 93 of the laws of  
17 2011 and as such sections are amended from time to time.

18 PART B

19 Section 1. Short title. This act shall be known and may be cited as  
20 the "rent act of 2011."

21 § 1-a. Section 17 of chapter 576 of the laws of 1974 amending the  
22 emergency housing rent control law relating to the control of and  
23 stabilization of rent in certain cases, as amended by chapter 93 of the  
24 laws of 2011, is amended to read as follows:

25 § 17. Effective date. This act shall take effect immediately and  
26 shall remain in full force and effect until and including the [~~twenty-~~  
27 ~~third~~] fifteenth day of June [~~2011~~] 2015; except that sections two and  
28 three shall take effect with respect to any city having a population of  
29 one million or more and section one shall take effect with respect to  
30 any other city, or any town or village whenever the local legislative  
31 body of a city, town or village determines the existence of a public  
32 emergency pursuant to section three of the emergency tenant protection  
33 act of nineteen seventy-four, as enacted by section four of this act,  
34 and provided that the housing accommodations subject on the effective  
35 date of this act to stabilization pursuant to the New York city rent  
36 stabilization law of nineteen hundred sixty-nine shall remain subject to  
37 such law upon the expiration of this act.

38 § 2. Subdivision 2 of section 1 of chapter 274 of the laws of 1946

39 constituting the emergency housing rent control law, as amended by chap-  
40 ter 93 of the laws of 2011, is amended to read as follows:

41 2. The provisions of this act, and all regulations, orders and  
42 requirements thereunder shall remain in full force and effect until and  
43 including June [~~23, 2011~~] 15, 2015.

44 § 3. Section 2 of chapter 329 of the laws of 1963 amending the emer-  
45 gency housing rent control law relating to recontrol of rents in Albany,  
46 as amended by chapter 93 of the laws of 2011, is amended to read as  
47 follows:

48 § 2. This act shall take effect immediately and the provisions of  
49 subdivision 6 of section 12 of the emergency housing rent control law,  
50 as added by this act, shall remain in full force and effect until and  
51 including June [~~23, 2011~~] 15, 2015.

52 § 4. Section 10 of chapter 555 of the laws of 1982 amending the gener-  
53 al business law and the administrative code of the city of New York  
54 relating to conversion of residential property to cooperative or condo-  
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1 minium ownership in the city of New York, as amended by chapter 93 of  
2 the laws of 2011, is amended to read as follows:

3 § 10. This act shall take effect immediately; provided, that the  
4 provisions of sections one, two and nine of this act shall remain in  
5 full force and effect only until and including June [~~23, 2011~~] 15, 2015;  
6 provided further that the provisions of section three of this act shall  
7 remain in full force and effect only so long as the public emergency  
8 requiring the regulation and control of residential rents and evictions  
9 continues as provided in subdivision 3 of section 1 of the local emer-  
10 gency housing rent control act; provided further that the provisions of  
11 sections four, five, six and seven of this act shall expire in accord-  
12 ance with the provisions of section 26-520 of the administrative code of  
13 the city of New York as such section of the administrative code is, from  
14 time to time, amended; provided further that the provisions of section  
15 26-511 of the administrative code of the city of New York, as amended by  
16 this act, which the New York City Department of Housing Preservation and  
17 Development must find are contained in the code of the real estate  
18 industry stabilization association of such city in order to approve it,  
19 shall be deemed contained therein as of the effective date of this act;  
20 and provided further that any plan accepted for filing by the department  
21 of law on or before the effective date of this act shall continue to be  
22 governed by the provisions of section 352-eeee of the general business  
23 law as they had existed immediately prior to the effective date of this  
24 act.

25 § 5. Section 4 of chapter 402 of the laws of 1983 amending the general  
26 business law relating to conversion of rental residential property to  
27 cooperative or condominium ownership in certain municipalities in the  
28 counties of Nassau, Westchester and Rockland, as amended by chapter 93  
29 of the laws of 2011, is amended to read as follows:

30 § 4. This act shall take effect immediately; provided, that the  
31 provisions of sections one and three of this act shall remain in full  
32 force and effect only until and including June [~~23, 2011~~] 15, 2015; and  
33 provided further that any plan accepted for filing by the department of  
34 law on or before the effective date of this act shall continue to be  
35 governed by the provisions of section 352-eee of the general business  
36 law as they had existed immediately prior to the effective date of this  
37 act.

38 § 6. Subdivision 6 of section 46 of chapter 116 of the laws of 1997  
39 constituting the rent regulation reform act of 1997, as amended by chap-

40 ter 93 of the laws of 2011, is amended to read as follows:

41 6. sections twenty-eight, twenty-eight-a, twenty-eight-b and twenty-  
42 eight-c of this act shall expire and be deemed repealed after June [~~23,~~  
43 ~~2011~~] 15, 2015;

44 § 7. Paragraph 5-a of subdivision c of section 26-511 of the adminis-  
45 trative code of the city of New York, as added by chapter 116 of the  
46 laws of 1997, is amended to read as follows:

47 (5-a) provides that, notwithstanding any provision of this chapter,  
48 the legal regulated rent for any vacancy lease entered into after the  
49 effective date of this paragraph shall be as hereinafter provided in  
50 this paragraph. The previous legal regulated rent for such housing  
51 accommodation shall be increased by the following: (i) if the vacancy  
52 lease is for a term of two years, twenty percent of the previous legal  
53 regulated rent; or (ii) if the vacancy lease is for a term of one year  
54 the increase shall be twenty percent of the previous legal regulated  
55 rent less an amount equal to the difference between (a) the two year  
56 renewal lease guideline promulgated by the guidelines board of the city  
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1 of New York applied to the previous legal regulated rent and (b) the one  
2 year renewal lease guideline promulgated by the guidelines board of the  
3 city of New York applied to the previous legal regulated rent. In addi-  
4 tion, if the legal regulated rent was not increased with respect to such  
5 housing accommodation by a permanent vacancy allowance within eight  
6 years prior to a vacancy lease executed on or after the effective date  
7 of this paragraph, the legal regulated rent may be further increased by  
8 an amount equal to the product resulting from multiplying such previous  
9 legal regulated rent by six-tenths of one percent and further multiply-  
10 ing the amount of rent increase resulting therefrom by the greater of  
11 (A) the number of years since the imposition of the last permanent  
12 vacancy allowance, or (B) if the rent was not increased by a permanent  
13 vacancy allowance since the housing accommodation became subject to this  
14 chapter, the number of years that such housing accommodation has been  
15 subject to this chapter. Provided that if the previous legal regulated  
16 rent was less than three hundred dollars the total increase shall be as  
17 calculated above plus one hundred dollars per month. Provided, further,  
18 that if the previous legal regulated rent was at least three hundred  
19 dollars and no more than five hundred dollars in no event shall the  
20 total increase pursuant to this paragraph be less than one hundred  
21 dollars per month. Such increase shall be in lieu of any allowance  
22 authorized for the one or two year renewal component thereof, but shall  
23 be in addition to any other increases authorized pursuant to this chap-  
24 ter including an adjustment based upon a major capital improvement, or a  
25 substantial modification or increase of dwelling space or services, or  
26 installation of new equipment or improvements or new furniture or  
27 furnishings provided in or to the housing accommodation pursuant to this  
28 section. The increase authorized in this paragraph may not be imple-  
29 mented more than one time in any calendar year, notwithstanding the  
30 number of vacancy leases entered into in such year.

31 § 8. Subdivision (a-1) of section 10 of section 4 of chapter 576 of  
32 the laws of 1974, constituting the emergency tenant protection act of  
33 nineteen seventy-four, as added by chapter 116 of the laws of 1997, is  
34 amended to read as follows:

35 (a-1) provides that, notwithstanding any provision of this act, the  
36 legal regulated rent for any vacancy lease entered into after the effec-  
37 tive date of this subdivision shall be as hereinafter set forth. The  
38 previous legal regulated rent for such housing accommodation shall be

39 increased by the following: (i) if the vacancy lease is for a term of  
40 two years, twenty percent of the previous legal regulated rent; or (ii)  
41 if the vacancy lease is for a term of one year the increase shall be  
42 twenty percent of the previous legal regulated rent less an amount equal  
43 to the difference between (a) the two year renewal lease guideline  
44 promulgated by the guidelines board of the county in which the housing  
45 accommodation is located applied to the previous legal regulated rent  
46 and (b) the one year renewal lease guideline promulgated by the guide-  
47 lines board of the county in which the housing accommodation is located  
48 applied to the previous legal regulated rent. In addition, if the legal  
49 regulated rent was not increased with respect to such housing accommo-  
50 dation by a permanent vacancy allowance within eight years prior to a  
51 vacancy lease executed on or after the effective date of this subdivi-  
52 sion, the legal regulated rent may be further increased by an amount  
53 equal to the product resulting from multiplying such previous legal  
54 regulated rent by six-tenths of one percent and further multiplying the  
55 amount of rent increase resulting therefrom by the greater of (A) the  
56 number of years since the imposition of the last permanent vacancy  
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1 allowance, or (B) if the rent was not increased by a permanent vacancy  
2 allowance since the housing accommodation became subject to this act,  
3 the number of years that such housing accommodation has been subject to  
4 this act. Provided that if the previous legal regulated rent was less  
5 than three hundred dollars the total increase shall be as calculated  
6 above plus one hundred dollars per month. Provided, further, that if the  
7 previous legal regulated rent was at least three hundred dollars and no  
8 more than five hundred dollars in no event shall the total increase  
9 pursuant to this subdivision be less than one hundred dollars per month.  
10 Such increase shall be in lieu of any allowance authorized for the one  
11 or two year renewal component thereof, but shall be in addition to any  
12 other increases authorized pursuant to this act including an adjustment  
13 based upon a major capital improvement, or a substantial modification or  
14 increase of dwelling space or services, or installation of new equipment  
15 or improvements or new furniture or furnishings provided in or to the  
16 housing accommodation pursuant to section six of this act. The increase  
17 authorized in this subdivision may not be implemented more than one time  
18 in any calendar year, notwithstanding the number of vacancy leases  
19 entered into in such year.

20 § 9. Paragraph (n) of subdivision 2 of section 2 of chapter 274 of the  
21 laws of 1946, constituting the emergency housing rent control law, as  
22 amended by chapter 82 of the laws of 2003, is amended to read as  
23 follows:

24 (n) any housing accommodation with a maximum rent of two thousand  
25 dollars or more per month at any time between the effective date of this  
26 paragraph and October first, nineteen hundred ninety-three which is or  
27 becomes vacant on or after the effective date of this paragraph[7]; or,  
28 for any housing accommodation with a maximum rent of two thousand  
29 dollars or more per month at any time on or after the effective date of  
30 the rent regulation reform act of 1997 and before the effective date of  
31 the rent act of 2011, which is or becomes vacant on or after the effec-  
32 tive date of the rent regulation reform act of 1997 and before the  
33 effective date of the rent act of 2011. This exclusion shall apply  
34 regardless of whether the next tenant in occupancy or any subsequent  
35 tenant in occupancy is charged or pays less than two thousand dollars a  
36 month; or, for any housing accommodation with a maximum rent of two  
37 thousand five hundred dollars or more per month at any time on or after

38 the effective date of the rent act of 2011, which is or becomes vacant  
39 on or after such effective date. This exclusion shall apply regardless  
40 of whether the next tenant in occupancy or any subsequent tenant in  
41 occupancy actually is charged or pays less than two thousand five  
42 hundred dollars a month. [~~This~~] An exclusion pursuant to this paragraph  
43 shall not apply, however, to or become effective with respect to housing  
44 accommodations which the commissioner determines or finds that the land-  
45 lord or any person acting on his or her behalf, with intent to cause the  
46 tenant to vacate, has engaged in any course of conduct (including, but  
47 not limited to, interruption or discontinuance of required services)  
48 which interfered with or disturbed or was intended to interfere with or  
49 disturb the comfort, repose, peace or quiet of the tenant in his or her  
50 use or occupancy of the housing accommodations and in connection with  
51 such course of conduct, any other general enforcement provision of this  
52 law shall also apply.

53 § 10. Paragraph 13 of subdivision a of section 5 of section 4 of chap-  
54 ter 576 of the laws of 1974, constituting the emergency tenant  
55 protection act of nineteen seventy-four, as amended by chapter 82 of the  
56 laws of 2003, is amended to read as follows:

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1 (13) any housing accommodation with a legal regulated rent of two  
2 thousand dollars or more per month at any time between the effective  
3 date of this paragraph and October first, nineteen hundred ninety-three  
4 which is or becomes vacant on or after the effective date of this para-  
5 graph~~[7]~~; or, for any housing accommodation with a legal regulated rent  
6 of two thousand dollars or more per month at any time on or after the  
7 effective date of the rent regulation reform act of 1997 and before the  
8 effective date of the rent act of 2011, which is or becomes vacant on or  
9 after the effective date of the rent regulation reform act of 1997 and  
10 before the effective date of the rent act of 2011. This exclusion shall  
11 apply regardless of whether the next tenant in occupancy or any subse-  
12 quent tenant in occupancy is charged or pays less than two thousand  
13 dollars a month; or, for any housing accommodation with a legal regu-  
14 lated rent of two thousand five hundred dollars or more per month at any  
15 time on or after the effective date of the rent act of 2011, which is or  
16 becomes vacant on or after such effective date. [~~This~~] An exclusion  
17 pursuant to this paragraph shall apply regardless of whether the next  
18 tenant in occupancy or any subsequent tenant in occupancy actually is  
19 charged or pays less than two thousand five hundred dollars a month.  
20 Provided however, that [~~this~~] an exclusion pursuant to this paragraph  
21 shall not apply to housing accommodations which became or become subject  
22 to this act (a) by virtue of receiving tax benefits pursuant to section  
23 four hundred twenty-one-a or four hundred eighty-nine of the real prop-  
24 erty tax law, except as otherwise provided in subparagraph (i) of para-  
25 graph (f) of subdivision two of section four hundred twenty-one-a of the  
26 real property tax law, or (b) by virtue of article seven-C of the multi-  
27 ple dwelling law. This paragraph shall not apply, however, to or become  
28 effective with respect to housing accommodations which the commissioner  
29 determines or finds that the landlord or any person acting on his or her  
30 behalf, with intent to cause the tenant to vacate, has engaged in any  
31 course of conduct (including, but not limited to, interruption or  
32 discontinuance of required services) which interfered with or disturbed  
33 or was intended to interfere with or disturb the comfort, repose, peace  
34 or quiet of the tenant in his or her use or occupancy of the housing  
35 accommodations and in connection with such course of conduct, any other  
36 general enforcement provision of this act shall also apply.

37 § 11. Subparagraph (k) of paragraph 2 of subdivision e of section  
38 26-403 of the administrative code of the city of New York, as amended by  
39 chapter 82 of the laws of 2003, is amended to read as follows:

40 (k) Any housing accommodation which becomes vacant on or after April  
41 first, nineteen hundred ninety-seven and before the effective date of  
42 the rent act of 2011, and where at the time the tenant vacated such  
43 housing accommodation the maximum rent was two thousand dollars or more  
44 per month; or, for any housing accommodation which is or becomes vacant  
45 on or after the effective date of the rent regulation reform act of 1997  
46 and before the effective date of the rent act of 2011 with a maximum  
47 rent of two thousand dollars or more per month. This exclusion shall  
48 apply regardless of whether the next tenant in occupancy or any subse-  
49 quent tenant in occupancy is charged or pays less than two thousand  
50 dollars a month; or, for any housing accommodation with a maximum rent  
51 of two thousand five hundred dollars or more per month at any time on or  
52 after the effective date of the rent act of 2011, which is or becomes  
53 vacant on or after such effective date. This exclusion shall apply  
54 regardless of whether the next tenant in occupancy or any subsequent  
55 tenant in occupancy actually is charged or pays less than two thousand  
56 five hundred dollars a month. Provided however, that [~~this~~] an exclu-  
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1 sion pursuant to this subparagraph shall not apply to housing accommo-  
2 dations which became or become subject to this law by virtue of receiv-  
3 ing tax benefits pursuant to section four hundred eighty-nine of the  
4 real property tax law. This subparagraph shall not apply, however, to or  
5 become effective with respect to housing accommodations which the  
6 commissioner determines or finds that the landlord or any person acting  
7 on his or her behalf, with intent to cause the tenant to vacate, has  
8 engaged in any course of conduct (including, but not limited to, inter-  
9 ruption or discontinuance of required services) which interfered with or  
10 disturbed or was intended to interfere with or disturb the comfort,  
11 repose, peace or quiet of the tenant in his or her use or occupancy of  
12 the housing accommodations and in connection with such course of  
13 conduct, any other general enforcement provision of this law shall also  
14 apply.

15 § 12. Section 26-504.2 of the administrative code of the city of New  
16 York, as amended by chapter 116 of the laws of 1997, subdivision a as  
17 amended by chapter 82 of the laws of 2003 and subdivision b as added by  
18 local law number 12 of the city of New York for the year 2000, is  
19 amended to read as follows:

20 § 26-504.2 Exclusion of high rent accommodations. a. "Housing accommo-  
21 dations" shall not include: any housing accommodation which becomes  
22 vacant on or after April first, nineteen hundred ninety-seven and before  
23 the effective date of the rent act of 2011 and where at the time the  
24 tenant vacated such housing accommodation the legal regulated rent was  
25 two thousand dollars or more per month<sup>[7]</sup>; or, for any housing accommo-  
26 dation which is or becomes vacant on or after the effective date of the  
27 rent regulation reform act of 1997 and before the effective date of the  
28 rent act of 2011, with a legal regulated rent of two thousand dollars or  
29 more per month. This exclusion shall apply regardless of whether the  
30 next tenant in occupancy or any subsequent tenant in occupancy is  
31 charged or pays less than two thousand dollars a month; or, for any  
32 housing accommodation with a legal regulated rent of two thousand five  
33 hundred dollars or more per month at any time on or after the effective  
34 date of the rent act of 2011, which is or becomes vacant on or after  
35 such effective date. This exclusion shall apply regardless of whether

36 the next tenant in occupancy or any subsequent tenant in occupancy actu-  
37 ally is charged or pays less than two thousand five hundred dollars a  
38 month. Provided however, that [~~this~~] an exclusion pursuant to this  
39 subdivision shall not apply to housing accommodations which became or  
40 become subject to this law (a) by virtue of receiving tax benefits  
41 pursuant to section four hundred twenty-one-a or four hundred eighty-  
42 nine of the real property tax law, except as otherwise provided in  
43 subparagraph (i) of paragraph (f) of subdivision two of section four  
44 hundred twenty-one-a of the real property tax law, or (b) by virtue of  
45 article seven-C of the multiple dwelling law. This section shall not  
46 apply, however, to or become effective with respect to housing accommo-  
47 dations which the commissioner determines or finds that the landlord or  
48 any person acting on his or her behalf, with intent to cause the tenant  
49 to vacate, engaged in any course of conduct (including, but not limited  
50 to, interruption or discontinuance of required services) which interfer-  
51 ed with or disturbed or was intended to interfere with or disturb the  
52 comfort, repose, peace or quiet of the tenant in his or her use or occu-  
53 pancy of the housing accommodations and in connection with such course  
54 of conduct, any other general enforcement provision of this law shall  
55 also apply.

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1 b. The owner of any housing accommodation that is not subject to this  
2 law pursuant to the provisions of subdivision a of this section or  
3 subparagraph k of paragraph 2 of subdivision e of section 26-403 of this  
4 code shall give written notice certified by such owner to the first  
5 tenant of that housing accommodation after such housing accommodation  
6 becomes exempt from the provisions of this law or the city rent and  
7 rehabilitation law. Such notice contain the last regulated rent,  
8 the reason that such housing accommodation is not subject to this law or  
9 the city rent and rehabilitation law, a calculation of how either the  
10 rental amount charged when there is no lease or the rental amount  
11 provided for in the lease has been derived so as to reach two thousand  
12 dollars or more per month or, for a housing accommodation with a legal  
13 regulated rent or maximum rent of two thousand five hundred dollars or  
14 more per month on or after the effective date of the rent act of 2011,  
15 which is or becomes vacant on or after such effective date, whether the  
16 next tenant in occupancy or any subsequent tenant in occupancy actually  
17 is charged or pays less than a legal regulated rent or maximum rent of  
18 two thousand five hundred dollars or more per month, a statement that  
19 the last legal regulated rent or the maximum rent may be verified by the  
20 tenant by contacting the state division of housing and community  
21 renewal, or any successor thereto, and the address and telephone number  
22 of such agency, or any successor thereto. Such notice shall be sent by  
23 certified mail within thirty days after the tenancy commences or after  
24 the signing of the lease by both parties, whichever occurs first or  
25 shall be delivered to the tenant at the signing of the lease. In addi-  
26 tion, the owner shall send and certify to the tenant a copy of the  
27 registration statement for such housing accommodation filed with the  
28 state division of housing and community renewal indicating that such  
29 housing accommodation became exempt from the provisions of this law or  
30 the city rent and rehabilitation law, which form shall include the last  
31 regulated rent, and shall be sent to the tenant within thirty days after  
32 the tenancy commences or the filing of such registration, whichever  
33 occurs later.

34 § 13. Subdivision a-2 of section 10 of section 4 of chapter 576 of the  
35 laws of 1974, constituting the emergency tenant protection act of nine-

36 teen seventy-four, as added by chapter 82 of the laws of 2003, is  
37 amended to read as follows:

38 ~~[a-2.]~~ (a-2) Provides that where the amount of rent charged to and  
39 paid by the tenant is less than the legal regulated rent for the housing  
40 accommodation, the amount of rent for such housing accommodation which  
41 may be charged upon renewal or upon vacancy thereof may, at the option  
42 of the owner, be based upon such previously established legal regulated  
43 rent, as adjusted by the most recent applicable guidelines increases and  
44 other increases authorized by law. Where, subsequent to vacancy, such  
45 legal regulated rent, as adjusted by the most recent applicable guide-  
46 lines increases and any other increases authorized by law is two thou-  
47 sand dollars or more per month or, for any housing accommodation which  
48 is or becomes vacant on or after the effective date of the rent act of  
49 2011, is two thousand five hundred dollars or more per month, such hous-  
50 ing accommodation shall be excluded from the provisions of this act  
51 pursuant to paragraph thirteen of subdivision a of section five of this  
52 act.

53 § 14. Paragraph 14 of subdivision c of section 26-511 of the adminis-  
54 trative code of the city of New York, as added by chapter 82 of the laws  
55 of 2003, is amended to read as follows:

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1 (14) provides that where the amount of rent charged to and paid by the  
2 tenant is less than the legal regulated rent for the housing accommo-  
3 dation, the amount of rent for such housing accommodation which may be  
4 charged upon renewal or upon vacancy thereof may, at the option of the  
5 owner, be based upon such previously established legal regulated rent,  
6 as adjusted by the most recent applicable guidelines increases and any  
7 other increases authorized by law. Where, subsequent to vacancy, such  
8 legal regulated rent, as adjusted by the most recent applicable guide-  
9 lines increases and any other increases authorized by law is two thou-  
10 sand dollars or more per month or, for any housing accommodation which  
11 is or becomes vacant on or after the effective date of the rent act of  
12 2011, is two thousand five hundred dollars or more per month, such hous-  
13 ing accommodation shall be excluded from the provisions of this law  
14 pursuant to section 26-504.2 of this chapter.

15 § 15. Subparagraph (e) of paragraph 1 of subdivision g of section  
16 26-405 of the administrative code of the city of New York, as amended by  
17 chapter 253 of the laws of 1993, is amended to read as follows:

18 (e) The landlord and tenant by mutual voluntary written agreement  
19 agree to a substantial increase or decrease in dwelling space or a  
20 change in the services, furniture, furnishings or equipment provided in  
21 the housing accommodations. An adjustment under this subparagraph shall  
22 be equal to one-fortieth, in the case of a building with thirty-five or  
23 fewer housing accommodations, or one-sixtieth, in the case of a building  
24 with more than thirty-five housing accommodations where such adjustment  
25 takes effect on or after September twenty-fourth, two thousand eleven,  
26 of the total cost incurred by the landlord in providing such modifica-  
27 tion or increase in dwelling space, services, furniture, furnishings or  
28 equipment, including the cost of installation, but excluding finance  
29 charges, provided further ~~[than]~~ that an owner who is entitled to a rent  
30 increase pursuant to this subparagraph shall not be entitled to a  
31 further rent increase based upon the installation of similar equipment,  
32 or new furniture or furnishings within the useful life of such new  
33 equipment, or new furniture or furnishings. The owner shall give written  
34 notice to the city rent agency of any such adjustment pursuant to this  
35 subparagraph~~[-]~~; or



36 § 16. Paragraph 13 of subdivision c of section 26-511 of the adminis-  
37 trative code of the city of New York, as added by chapter 253 of the  
38 laws of 1993, is amended to read as follows:

39 (13) provides that an owner is entitled to a rent increase where there  
40 has been a substantial modification or increase of dwelling space or an  
41 increase in the services, or installation of new equipment or improve-  
42 ments or new furniture or furnishings provided in or to a tenant's hous-  
43 ing accommodation, on written tenant consent to the rent increase. In  
44 the case of a vacant housing accommodation, tenant consent shall not be  
45 required. The permanent increase in the legal regulated rent for the  
46 affected housing accommodation shall be one-fortieth, in the case of a  
47 building with thirty-five or fewer housing accommodations, or one-sixti-  
48 eth, in the case of a building with more than thirty-five housing accom-  
49 modations where such permanent increase takes effect on or after Septem-  
50 ber twenty-fourth, two thousand eleven, of the total cost incurred by  
51 the landlord in providing such modification or increase in dwelling  
52 space, services, furniture, furnishings or equipment, including the cost  
53 of installation, but excluding finance charges. Provided further that an  
54 owner who is entitled to a rent increase pursuant to this paragraph  
55 shall not be entitled to a further rent increase based upon the instal-  
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1 lation of similar equipment, or new furniture or furnishings within the  
2 useful life of such new equipment, or new furniture or furnishings.

3 § 17. Intentionally omitted.

4 § 18. Paragraph 1 of subdivision d of section 6 of section 4 of chap-  
5 ter 576 of the laws of 1974, constituting the emergency tenant  
6 protection act of nineteen seventy-four, as added by chapter 253 of the  
7 laws of 1993, is amended to read as follows:

8 (1) there has been a substantial modification or increase of dwelling  
9 space or an increase in the services, or installation of new equipment  
10 or improvements or new furniture or furnishings, provided in or to a  
11 tenant's housing accommodation, on written tenant consent to the rent  
12 increase. In the case of a vacant housing accommodation, tenant consent  
13 shall not be required. The permanent increase in the legal regulated  
14 rent for the affected housing accommodation shall be one-fortieth, in  
15 the case of a building with thirty-five or fewer housing accommodations,  
16 or one-sixtieth, in the case of a building with more than thirty-five  
17 housing accommodations where such permanent increase takes effect on or  
18 after September twenty-fourth, two thousand eleven, of the total cost  
19 incurred by the landlord in providing such modification or increase in  
20 dwelling space, services, furniture, furnishings or equipment, including  
21 the cost of installation, but excluding finance charges. Provided  
22 further [~~than~~] that an owner who is entitled to a rent increase pursuant  
23 to this paragraph shall not be entitled to a further rent increase based  
24 upon the installation of similar equipment, or new furniture or  
25 furnishings within the useful life of such new equipment, or new furni-  
26 ture or furnishings.

27 § 19. Intentionally omitted.

28 § 20. Intentionally omitted.

29 § 21. Intentionally omitted.

30 § 22. Intentionally omitted.

31 § 23. Intentionally omitted.

32 § 24. Intentionally omitted.

33 § 25. The second undesignated paragraph of paragraph (a) of subdivi-  
34 sion 4 of section 4 of chapter 274 of the laws of 1946, constituting the  
35 emergency housing rent control law, as amended by chapter 21 of the laws

36 of 1962, clause 5 as amended by chapter 253 of the laws of 1993, is  
37 amended to read as follows:

38 No application for adjustment of maximum rent based upon a sales price  
39 valuation shall be filed by the landlord under this subparagraph prior  
40 to six months from the date of such sale of the property. In addition,  
41 no adjustment ordered by the commission based upon such sales price  
42 valuation shall be effective prior to one year from the date of such  
43 sale. Where, however, the assessed valuation of the land exceeds four  
44 times the assessed valuation of the buildings thereon, the commission  
45 may determine a valuation of the property equal to five times the equal-  
46 ized assessed valuation of the buildings, for the purposes of this  
47 subparagraph. The commission may make a determination that the valu-  
48 ation of the property is an amount different from such equalized  
49 assessed valuation where there is a request for a reduction in such  
50 assessed valuation currently pending; or where there has been a  
51 reduction in the assessed valuation for the year next preceding the  
52 effective date of the current assessed valuation in effect at the time  
53 of the filing of the application. Net annual return shall be the amount  
54 by which the earned income exceeds the operating expenses of the proper-  
55 ty, excluding mortgage interest and amortization, and excluding allow-  
56 ances for obsolescence and reserves, but including an allowance for  
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1 depreciation of two per centum of the value of the buildings exclusive  
2 of the land, or the amount shown for depreciation of the buildings in  
3 the latest required federal income tax return, whichever is lower;  
4 provided, however, that (1) no allowance for depreciation of the build-  
5 ings shall be included where the buildings have been fully depreciated  
6 for federal income tax purposes or on the books of the owner; or (2) the  
7 landlord who owns no more than four rental units within the state has  
8 not been fully compensated by increases in rental income sufficient to  
9 offset unavoidable increases in property taxes, fuel, utilities, insur-  
10 ance and repairs and maintenance, excluding mortgage interest and amor-  
11 tization, and excluding allowances for depreciation, obsolescence and  
12 reserves, which have occurred since the federal date determining the  
13 maximum rent or the date the property was acquired by the present owner,  
14 whichever is later; or (3) the landlord operates a hotel or rooming  
15 house or owns a cooperative apartment and has not been fully compensated  
16 by increases in rental income from the controlled housing accommodations  
17 sufficient to offset unavoidable increases in property taxes and other  
18 costs as are allocable to such controlled housing accommodations,  
19 including costs of operation of such hotel or rooming house, but exclud-  
20 ing mortgage interest and amortization, and excluding allowances for  
21 depreciation, obsolescence and reserves, which have occurred since the  
22 federal date determining the maximum rent or the date the landlord  
23 commenced the operation of the property, whichever is later; or (4) the  
24 landlord and tenant voluntarily enter into a valid written lease in good  
25 faith with respect to any housing accommodation, which lease provides  
26 for an increase in the maximum rent not in excess of fifteen per centum  
27 and for a term of not less than two years, except that where such lease  
28 provides for an increase in excess of fifteen per centum, the increase  
29 shall be automatically reduced to fifteen per centum; or (5) the land-  
30 lord and tenant by mutual voluntary written agreement agree to a  
31 substantial increase or decrease in dwelling space or a change in the  
32 services, furniture, furnishings or equipment provided in the housing  
33 accommodations; provided that an owner shall be entitled to a rent  
34 increase where there has been a substantial modification or increase of

35 dwelling space or an increase in the services, or installation of new  
36 equipment or improvements or new furniture or furnishings provided in or  
37 to a tenant's housing accommodation. The permanent increase in the maxi-  
38 mum rent for the affected housing accommodation shall be one-fortieth,  
39 in the case of a building with thirty-five or fewer housing accommo-  
40 dations, or one-sixtieth, in the case of a building with more than thir-  
41 ty-five housing accommodations where such permanent increase takes  
42 effect on or after September twenty-fourth, two thousand eleven, of the  
43 total cost incurred by the landlord in providing such modification or  
44 increase in dwelling space, services, furniture, furnishings or equip-  
45 ment, including the cost of installation, but excluding finance charges  
46 provided further that an owner who is entitled to a rent increase pursu-  
47 ant to this clause shall not be entitled to a further rent increase  
48 based upon the installation of similar equipment, or new furniture or  
49 furnishings within the useful life of such new equipment, or new furni-  
50 ture or furnishings. The owner shall give written notice to the commis-  
51 sion of any such adjustment pursuant to this clause; or (6) there has  
52 been, since March first, nineteen hundred fifty, an increase in the  
53 rental value of the housing accommodations as a result of a substantial  
54 rehabilitation of the building or housing accommodation therein which  
55 materially adds to the value of the property or appreciably prolongs its  
56 life, excluding ordinary repairs, maintenance and replacements; or (7)  
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1 there has been since March first, nineteen hundred fifty, a major capi-  
2 tal improvement required for the operation, preservation or maintenance  
3 of the structure; or (8) there has been since March first, nineteen  
4 hundred fifty, in structures containing more than four housing accommo-  
5 dations, other improvements made with the express consent of the tenants  
6 in occupancy of at least seventy-five per centum of the housing accom-  
7 modations, provided, however, that no adjustment granted hereunder shall  
8 exceed fifteen per centum unless the tenants have agreed to a higher  
9 percentage of increase, as herein provided; or (9) there has been,  
10 since March first, nineteen hundred fifty, a subletting without written  
11 consent from the landlord or an increase in the number of adult occu-  
12 pants who are not members of the immediate family of the tenant, and the  
13 landlord has not been compensated therefor by adjustment of the maximum  
14 rent by lease or order of the commission or pursuant to the federal act;  
15 or (10) the presence of unique or peculiar circumstances materially  
16 affecting the maximum rent has resulted in a maximum rent which is  
17 substantially lower than the rents generally prevailing in the same area  
18 for substantially similar housing accommodations.

19 § 26. Intentionally omitted.

20 § 27. Intentionally omitted.

21 § 28. Intentionally omitted.

22 § 29. Paragraph 12 of subdivision a of section 5 of section 4 of chap-  
23 ter 576 of the laws of 1974, constituting the emergency tenant  
24 protection act of nineteen seventy-four, as amended by chapter 116 of  
25 the laws of 1997, is amended to read as follows:

26 (12) upon issuance of an order by the division, housing accommodations  
27 which are: (1) occupied by persons who have a total annual income [~~in~~  
28 ~~excess of one hundred seventy five thousand dollars per annum in each of~~  
29 ~~the two preceding calendar years, as defined in and subject to the limi-~~  
30 ~~tations and process set forth in section five-a of this act] as defined  
31 in and subject to the limitations and process set forth in section  
32 five-a of this act in excess of the deregulation income threshold, as  
33 defined in section five-a of this act, in each of the two preceding~~

34 calendar years; and (2) have a legal regulated rent [~~of two thousand~~  
35 ~~dollars or more per month~~] that equals or exceeds the deregulation rent  
36 threshold, as defined in section five-a of this act. Provided however,  
37 that this exclusion shall not apply to housing accommodations which  
38 became or become subject to this act (a) by virtue of receiving tax  
39 benefits pursuant to section four hundred twenty-one-a or four hundred  
40 eighty-nine of the real property tax law, except as otherwise provided  
41 in subparagraph (i) of paragraph (f) of subdivision two of section four  
42 hundred twenty-one-a of the real property tax law, or (b) by virtue of  
43 article seven-C of the multiple dwelling law.

44 § 30. Section 5-a of section 4 of chapter 576 of the laws of 1974,  
45 constituting the emergency tenant protection act of nineteen seventy-  
46 four, as added by chapter 253 of the laws of 1993, subdivision (b) and  
47 paragraphs 1 and 2 of subdivision (c) as amended and subdivision (e) as  
48 added by chapter 116 of the laws of 1997, is amended to read as follows:

49 § 5-a. High income rent [~~decontrol~~] deregulation. (a) 1. For purposes  
50 of this section, annual income shall mean the federal adjusted gross  
51 income as reported on the New York state income tax return. Total annual  
52 income means the sum of the annual incomes of all persons whose names  
53 are recited as the tenant or co-tenant on a lease who occupy the housing  
54 accommodation and all other persons that occupy the housing accommo-  
55 dation as their primary residence on other than a temporary basis,  
56 excluding bona fide employees of such occupants residing therein in  
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1 connection with such employment and excluding bona fide subtenants in  
2 occupancy pursuant to the provisions of section two hundred twenty-six-b  
3 of the real property law. In the case where a housing accommodation is  
4 sublet, the annual income of the tenant or co-tenant recited on the  
5 lease who will reoccupy the housing accommodation upon the expiration of  
6 the sublease shall be considered.

7 2. Deregulation income threshold means total annual income equal to  
8 one hundred seventy-five thousand dollars in each of the two preceding  
9 calendar years for proceedings commenced before July first, two thousand  
10 eleven. For proceedings commenced on or after July first, two thousand  
11 eleven, the deregulation income threshold means the total annual income  
12 equal to two hundred thousand dollars in each of the two preceding  
13 calendar years.

14 3. Deregulation rent threshold means two thousand dollars for  
15 proceedings commenced before July first, two thousand eleven. For  
16 proceedings commenced on or after July first, two thousand eleven, the  
17 deregulation rent threshold means two thousand five hundred dollars.

18 (b) On or before the first day of May in each calendar year, the owner  
19 of each housing accommodation for which the legal regulated monthly rent  
20 [~~is two thousand dollars or more per month~~] equals or exceeds the dereg-  
21 ulation rent threshold may provide the tenant or tenants residing there-  
22 in with an income certification form prepared by the division of housing  
23 and community renewal on which such tenant or tenants shall identify all  
24 persons referred to in subdivision (a) of this section and shall certify  
25 whether the total annual income is in excess of [~~one hundred seventy-~~  
26 ~~five thousand dollars in each of the two preceding calendar years~~] the  
27 deregulation income threshold in each of the two preceding calendar  
28 years. Such income certification form shall state that the income level  
29 certified to by the tenant may be subject to verification by the depart-  
30 ment of taxation and finance pursuant to section one hundred seventy-  
31 one-b of the tax law, and shall not require disclosure of any informa-  
32 tion other than whether the aforementioned threshold has been exceeded.

33 Such income certification form shall clearly state that: (i) only  
34 tenants residing in housing accommodations which had a legal regulated  
35 monthly rent [of two thousand dollars or more per month] that equals or  
36 exceeds the deregulation rent threshold are required to complete the  
37 certification form; (ii) that tenants have protections available to them  
38 which are designed to prevent harassment; (iii) that tenants are not  
39 required to provide any information regarding their income except that  
40 which is requested on the form and may contain such other information  
41 the division deems appropriate. The tenant or tenants shall return the  
42 completed certification to the owner within thirty days after service  
43 upon the tenant or tenants. In the event that the total annual income as  
44 certified is in excess of [~~one hundred seventy-five thousand dollars in~~  
45 ~~each such year~~] the deregulation income threshold in each of the two  
46 preceding calendar years, the owner may file the certification with the  
47 state division of housing and community renewal on or before June thir-  
48 tieth of such year. Upon filing such certification with the division,  
49 the division shall, within thirty days after the filing, issue an order  
50 providing that such housing accommodation shall not be subject to the  
51 provisions of this act upon the expiration of the existing lease. A copy  
52 of such order shall be mailed by regular and certified mail, return  
53 receipt requested, to the tenant or tenants and a copy thereof shall be  
54 mailed to the owner.

55 (c) 1. In the event that the tenant or tenants either fail to return  
56 the completed certification to the owner on or before the date required  
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1 by subdivision (b) of this section or the owner disputes the certif-  
2 ication returned by the tenant or tenants, the owner may, on or before  
3 June thirtieth of such year, petition the state division of housing and  
4 community renewal to verify, pursuant to section one hundred seventy-  
5 one-b of the tax law, whether the total annual income exceeds [~~one~~  
6 ~~hundred seventy-five thousand dollars in each of the two preceding~~  
7 ~~calendar years~~] the deregulation income threshold in each of the two  
8 preceding calendar years. Within twenty days after the filing of such  
9 request with the division, the division shall notify the tenant or  
10 tenants that such tenant or tenants named on the lease must provide the  
11 division with such information as the division and the department of  
12 taxation and finance shall require to verify whether the total annual  
13 income exceeds [~~one hundred seventy-five thousand dollars in each such~~  
14 ~~year~~] the deregulation income threshold in each of the two preceding  
15 calendar years. The division's notification shall require the tenant or  
16 tenants to provide the information to the division within sixty days of  
17 service upon such tenant or tenants and shall include a warning in bold  
18 faced type that failure to respond will result in an order being issued  
19 by the division providing that such housing accommodations shall not be  
20 subject to the provisions of this act.

21 2. If the department of taxation and finance determines that the total  
22 annual income is in excess of [~~one hundred seventy-five thousand dollars~~  
23 ~~in each of the two preceding calendar years~~] the deregulation income  
24 threshold in each of the two preceding calendar years, the division  
25 shall, on or before November fifteenth of such year, notify the owner  
26 and tenants of the results of such verification. Both the owner and the  
27 tenants shall have thirty days within which to comment on such verifica-  
28 tion results. Within forty-five days after the expiration of the  
29 comment period, the division shall, where appropriate, issue an order  
30 providing that such housing accommodation shall not be subject to the  
31 provisions of this act upon expiration of the existing lease. A copy of

32 such order shall be mailed by regular and certified mail, return receipt  
33 requested, to the tenant or tenants and a copy thereof shall be sent to  
34 the owner.

35 3. In the event the tenant or tenants fail to provide the information  
36 required pursuant to paragraph one of this subdivision, the division  
37 shall issue, on or before December first of such year, an order provid-  
38 ing that such housing accommodation shall not be subject to the  
39 provisions of this act upon the expiration ~~[or]~~ of the current lease. A  
40 copy of such order shall be mailed by regular and certified mail, return  
41 receipt requested, to the tenant or tenants and a copy thereof shall be  
42 sent to the owner.

43 4. The provisions of the state freedom of information act shall not  
44 apply to any income information obtained by the division pursuant to  
45 this section.

46 (d) This section shall apply only to paragraph twelve of subdivision a  
47 of section five of this act.

48 (e) Upon receipt of such order of ~~[decontrol]~~ deregulation pursuant to  
49 this section, an owner shall offer the housing accommodation subject to  
50 such order to the tenant at a rent not in excess of the market rent,  
51 which for the purposes of this section means a rent obtainable in an  
52 arm's length transaction. Such rental offer shall be made by the owner  
53 in writing to the tenant by certified and regular mail and shall inform  
54 the tenant that such offer must be accepted in writing within ten days  
55 of receipt. The tenant shall respond within ten days after receipt of  
56 such offer. If the tenant declines the offer or fails to respond within

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1 such period, the owner may commence an action or proceeding for the  
2 eviction of such tenant.

3 § 31. Paragraph (m) of subdivision 2 of section 2 of chapter 274 of  
4 the laws of 1946, constituting the emergency housing rent control law,  
5 as amended by chapter 116 of the laws of 1997, is amended to read as  
6 follows:

7 (m) upon the issuance of an order of ~~[decontrol]~~ deregulation by the  
8 division, housing accommodations which: (1) are occupied by persons who  
9 have a total annual income, as defined in and subject to the limitations  
10 and process set forth in section two-a of this law, in excess of ~~[one~~  
11 ~~hundred seventy-five thousand dollars in each of the two preceding~~  
12 ~~calendar years, as defined in and subject to the limitations and process~~  
13 ~~set forth in section two-a of this law]~~ the deregulation income thresh-  
14 old as defined in section two-a of this law in each of the two preceding  
15 calendar years; and (2) have a maximum rent ~~[of two thousand dollars or~~  
16 ~~more per month]~~ that equals or exceeds the deregulation rent threshold  
17 as defined in section two-a of this law.

18 § 32. Section 2-a of chapter 274 of the laws of 1946, constituting the  
19 emergency housing rent control law, as added by chapter 253 of the laws  
20 of 1993, subdivision (b) and paragraphs 1 and 2 of subdivision (c) as  
21 amended and subdivision (e) as added by chapter 116 of the laws of 1997,  
22 is amended to read as follows:

23 § 2-a. (a) 1. For purposes of this section, annual income shall mean  
24 the federal adjusted gross income as reported on the New York state  
25 income tax return. Total annual income means the sum of the annual  
26 incomes of all persons who occupy the housing accommodation as their  
27 primary residence on other than a temporary basis, excluding bona fide  
28 employees of such occupants residing therein in connection with such  
29 employment and excluding bona fide subtenants in occupancy pursuant to  
30 the provisions of section two hundred twenty-six-b of the real property

31 law. In the case where a housing accommodation is sublet, the annual  
32 income of the sublessor shall be considered.

33 2. Deregulation income threshold means total annual income equal to  
34 one hundred seventy-five thousand dollars in each of the two preceding  
35 calendar years for proceedings commenced before July first, two thousand  
36 eleven. For proceedings commenced on or after July first, two thousand  
37 eleven, the deregulation income threshold means the total annual income  
38 equal to two hundred thousand dollars in each of the two preceding  
39 calendar years.

40 3. Deregulation rent threshold means two thousand dollars for  
41 proceedings commenced prior to July first, two thousand eleven. For  
42 proceedings commenced on or after July first, two thousand eleven, the  
43 deregulation rent threshold means two thousand five hundred dollars.

44 (b) On or before the first day of May in each calendar year, the owner  
45 of each housing accommodation for which the maximum monthly rent [~~is two~~  
46 ~~thousand dollars or more per month~~] equals or exceeds the deregulation  
47 rent threshold may provide the tenant or tenants residing therein with  
48 an income certification form prepared by the division of housing and  
49 community renewal on which such tenant or tenants shall identify all  
50 persons referred to in subdivision (a) of this section and shall certify  
51 whether the total annual income is in excess of [~~one hundred seventy-~~  
52 ~~five thousand dollars in each of the two preceding calendar years~~] the  
53 deregulation income threshold in each of the two preceding calendar  
54 years. Such income certification form shall state that the income level  
55 certified to by the tenant may be subject to verification by the depart-  
56 ment of taxation and finance pursuant to section one hundred seventy-  
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1 one-b of the tax law and shall not require disclosure of any income  
2 information other than whether the aforementioned threshold has been  
3 exceeded. Such income certification form shall clearly state that: (i)  
4 only tenants residing in housing accommodations which had a maximum  
5 monthly rent equal to or in excess of [~~two thousand dollars or more per~~  
6 ~~month~~] the deregulation rent threshold are required to complete the  
7 certification form; (ii) that tenants have protections available to them  
8 which are designed to prevent harassment; (iii) that tenants are not  
9 required to provide any information regarding their income except that  
10 which is requested on the form and may contain such other information  
11 the division deems appropriate. The tenant or tenants shall return the  
12 completed certification to the owner within thirty days after service  
13 upon the tenant or tenants. In the event that the total annual income as  
14 certified is in excess of [~~one hundred seventy-five thousand dollars in~~  
15 ~~each such year~~] the deregulation income threshold in each of the two  
16 preceding calendar years, the owner may file the certification with the  
17 state division of housing and community renewal on or before June thir-  
18 tieth of such year. Upon filing such certification with the division,  
19 the division shall, within thirty days after the filing, issue an order  
20 of [~~decontrol~~] deregulation providing that such housing accommodations  
21 shall not be subject to the provisions of this law as of the first day  
22 of June in the year next succeeding the filing of the certification by  
23 the owner. A copy of such order shall be mailed by regular and certified  
24 mail, return receipt requested, to the tenant or tenants and a copy  
25 thereof shall be mailed to the owner.

26 (c) 1. In the event that the tenant or tenants either fail to return  
27 the completed certification to the owner on or before the date required  
28 by subdivision (b) of this section or the owner disputes the certif-  
29 ication returned by the tenant or tenants, the owner may, on or before

30 June thirtieth of such year, petition the state division of housing and  
31 community renewal to verify, pursuant to section one hundred seventy-  
32 one-b of the tax law, whether the total annual income exceeds [~~one~~  
33 ~~hundred seventy-five thousand dollars in each of the two preceding~~  
34 ~~calendar years~~] the deregulation income threshold in each of the two  
35 preceding calendar years. Within twenty days after the filing of such  
36 request with the division, the division shall notify the tenant or  
37 tenants that such tenant or tenants must provide the division with such  
38 information as the division and the department of taxation and finance  
39 shall require to verify whether the total annual income exceeds [~~one~~  
40 ~~hundred seventy-five thousand dollars in each such year~~] the deregu-  
41 lation income threshold in each of the two preceding calendar years.  
42 The division's notification shall require the tenant or tenants to  
43 provide the information to the division within sixty days of service  
44 upon such tenant or tenants and shall include a warning in bold faced  
45 type that failure to respond will result in an order of [~~decontrol~~  
46 deregulation] being issued by the division for such housing accommo-  
47 dation.

48 2. If the department of taxation and finance determines that the total  
49 annual income is in excess of [~~one hundred seventy-five thousand dollars~~  
50 ~~in each of the two preceding calendar years~~] the deregulation income  
51 threshold in each of the two preceding calendar years, the division  
52 shall, on or before November fifteenth of such year, notify the owner  
53 and tenants of the results of such verification. Both the owner and the  
54 tenants shall have thirty days within which to comment on such verifica-  
55 tion results. Within forty-five days after the expiration of the  
56 comment period, the division shall, where appropriate, issue an order of  
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1 [~~decontrol~~] deregulation providing that such housing accommodation shall  
2 not be subject to the provisions of this law as of the first day of  
3 March in the year next succeeding the filing of the owner's petition  
4 with the division. A copy of such order shall be mailed by regular and  
5 certified mail, return receipt requested, to the tenant or tenants and a  
6 copy thereof shall be sent to the owner.

7 3. In the event the tenant or tenants fail to provide the information  
8 required pursuant to paragraph one of this subdivision, the division  
9 shall issue, on or before December first of such year, an order of  
10 [~~decontrol~~] deregulation providing that such housing accommodation shall  
11 not be subject to the provisions of this law as of the first day of  
12 March in the year next succeeding the last day on which the tenant or  
13 tenants were required to provide the information required by such para-  
14 graph. A copy of such order shall be mailed by regular and certified  
15 mail, return receipt requested, to the tenant or tenants and a copy  
16 thereof shall be sent to the owner.

17 4. The provisions of the state freedom of information act shall not  
18 apply to any income information obtained by the division pursuant to  
19 this section.

20 (d) This section shall apply only to paragraph (m) of subdivision two  
21 of section two of this law.

22 (e) Upon receipt of such order of [~~decontrol~~] deregulation pursuant to  
23 this section, an owner shall offer the housing accommodation subject to  
24 such order to the tenant at a rent not in excess of the market rent,  
25 which for the purposes of this section means a rent obtainable in an  
26 arm's length transaction. Such rental offer shall be made by the owner  
27 in writing to the tenant by certified and regular mail and shall inform  
28 the tenant that such offer must be accepted in writing within ten days



29 of receipt. The tenant shall respond within ten days after receipt of  
30 such offer. If the tenant declines the offer or fails to respond within  
31 such period, the owner may commence an action or proceeding for the  
32 eviction of such tenant.

33 § 33. Subparagraph (j) of paragraph 2 of subdivision e of section  
34 26-403 of the administrative code of the city of New York, as amended by  
35 chapter 116 of the laws of 1997, is amended to read as follows:

36 (j) Upon the issuance of an order of [~~decontrol~~] deregulation by the  
37 division, housing accommodations which: (1) are occupied by persons who  
38 have a total annual income, as defined in and subject to the limitations  
39 and process set forth in section 26-403.1 of this chapter, in excess of  
40 [~~one hundred seventy-five thousand dollars per annum~~] the deregulation  
41 income threshold, as defined in section 26-403.1 of this chapter, in  
42 each of the two preceding calendar years [~~, as defined in and subject to~~  
43 ~~the limitations and process set forth in section 26-403.1 of this chap-~~  
44 ~~ter~~]; and (2) have a maximum rent [~~of two thousand dollars or more per~~  
45 ~~month~~] that equals or exceeds the deregulation rent threshold, as  
46 defined in section 26-403.1 of this chapter. Provided however, that  
47 this exclusion shall not apply to housing accommodations which became or  
48 become subject to this law by virtue of receiving tax benefits pursuant  
49 to section four hundred eighty-nine of the real property tax law.

50 § 34. Section 26-403.1 of the administrative code of the city of New  
51 York, as added by chapter 253 of the laws of 1993, subdivision (b) and  
52 paragraphs 1 and 2 of subdivision (c) as amended and subdivision (e) as  
53 added by chapter 116 of the laws of 1997, is amended to read as follows:

54 § 26-403.1 High income rent [~~decontrol~~] deregulation. (a) 1. For  
55 purposes of this section, annual income shall mean the federal adjusted  
56 gross income as reported on the New York state income tax return. Total  
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1 annual income means the sum of the annual incomes of all persons who  
2 occupy the housing accommodation as their primary residence other than  
3 on a temporary basis, excluding bona fide employees of such occupants  
4 residing therein in connection with such employment and excluding bona  
5 fide subtenants in occupancy pursuant to the provisions of section two  
6 hundred twenty-six-b of the real property law. In the case where a hous-  
7 ing accommodation is sublet, the annual income of the sublessor shall be  
8 considered.

9 2. Deregulation income threshold means total annual income equal to  
10 one hundred seventy-five thousand dollars in each of the two preceding  
11 calendar years for proceedings commenced prior to July first, two thou-  
12 sand eleven. For proceedings commenced on or after July first, two  
13 thousand eleven, the deregulation income threshold means the total annu-  
14 al income equal to two hundred thousand dollars in each of the two  
15 preceding calendar years.

16 3. Deregulation rent threshold means two thousand dollars for  
17 proceedings commenced before July first, two thousand eleven. For  
18 proceedings commenced on or after July first, two thousand eleven, the  
19 deregulation rent threshold means two thousand five hundred dollars.

20 (b) On or before the first day of May in each calendar year, the owner  
21 of each housing accommodation for which the maximum rent [~~is two thou-~~  
22 ~~sand dollars or more per month~~] equals or exceeds the deregulation rent  
23 threshold may provide the tenant or tenants residing therein with an  
24 income certification form prepared by the division of housing and commu-  
25 nity renewal on which such tenant or tenants shall identify all persons  
26 referred to in subdivision (a) of this section and shall certify whether  
27 the total annual income is in excess of [~~one hundred seventy-five thou-~~

28 ~~said dollars in each of the two preceding calendar years]~~ the deregulation  
29 income threshold in each of the two preceding calendar years.  
30 Such income certification form shall state that the income level certi-  
31 fied to by the tenant may be subject to verification by the department  
32 of taxation and finance pursuant to section one hundred seventy-one-b of  
33 the tax law and shall not require disclosure of any income information  
34 other than whether the aforementioned threshold has been exceeded. Such  
35 income certification form shall clearly state that: (i) only tenants  
36 residing in housing accommodations which have a maximum monthly rent [~~of~~  
37 ~~two thousand dollars or more per month]~~ that equals or exceeds the  
38 deregulation rent threshold are required to complete the certification  
39 form; (ii) that tenants have protections available to them which are  
40 designed to prevent harassment; (iii) that tenants are not required to  
41 provide any information regarding their income except that which is  
42 requested on the form and may contain such other information the divi-  
43 sion deems appropriate. The tenant or tenants shall return the completed  
44 certification to the owner within thirty days after service upon the  
45 tenant or tenants. In the event that the total annual income as certi-  
46 fied is in excess of [~~one hundred seventy-five thousand dollars in each~~  
47 ~~such year]~~ the deregulation income threshold in each of the two preced-  
48 ing calendar years, the owner may file the certification with the state  
49 division of housing and community renewal on or before June thirtieth of  
50 such year. Upon filing such certification with the division, the divi-  
51 sion shall, within thirty days after the filing, issue an order of  
52 [~~decontrol]~~ deregulation providing that such housing accommodations  
53 shall not be subject to the provisions of this law as of the first day  
54 of June in the year next succeeding the filing of the certification by  
55 the owner. A copy of such order shall be mailed by regular and certified  
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1 mail, return receipt requested, to the tenant or tenants and a copy  
2 thereof shall be mailed to the owner.

3 (c) 1. In the event that the tenant or tenants either fail to return  
4 the completed certification to the owner on or before the date required  
5 by subdivision (b) of this section or the owner disputes the certifi-  
6 cation returned by the tenant or tenants, the owner may, on or before  
7 June thirtieth of such year, petition the state division of housing and  
8 community renewal to verify, pursuant to section one hundred seventy-  
9 one-b of the tax law, whether the total annual income exceeds [~~one~~  
10 ~~hundred seventy-five thousand dollars in each of the two preceding~~  
11 ~~calendar years]~~ the deregulation income threshold in each of the two  
12 preceding calendar years. Within twenty days after the filing of such  
13 request with the division, the division shall notify the tenant or  
14 tenants that such tenant or tenants must provide the division with such  
15 information as the division and the department of taxation and finance  
16 shall require to verify whether the total annual income exceeds [~~one~~  
17 ~~hundred seventy-five thousand dollars in each such year]~~ the deregu-  
18 lation income threshold in each of the two preceding calendar years.  
19 The division's notification shall require the tenant or tenants to  
20 provide the information to the division within sixty days of service  
21 upon such tenant or tenants and shall include a warning in bold faced  
22 type that failure to respond will result in an order of [~~decontrol]~~  
23 deregulation being issued by the division for such housing accommo-  
24 dation.

25 2. If the department of taxation and finance determines that the total  
26 annual income is in excess of [~~one hundred seventy-five thousand dollars~~  
27 ~~in each of the two preceding calendar years]~~ the deregulation income

28 threshold in each of the two preceding calendar years, the division  
29 shall, on or before November fifteenth of such year, notify the owner  
30 and tenants of the results of such verification. Both the owner and the  
31 tenants shall have thirty days within which to comment on such verifica-  
32 tion results. Within forty-five days after the expiration of the  
33 comment period, the division shall, where appropriate, issue an order of  
34 ~~[decontrol]~~ deregulation providing that such housing accommodation shall  
35 not be subject to the provisions of this law as of the first day of  
36 March in the year next succeeding the filing of the owner's petition  
37 with the division. A copy of such order shall be mailed by regular and  
38 certified mail, return receipt requested, to the tenant or tenants and a  
39 copy thereof shall be sent to the owner.

40 3. In the event the tenant or tenants fail to provide the information  
41 required pursuant to paragraph one of this subdivision, the division  
42 shall issue, on or before December first of such year, an order of  
43 ~~[decontrol]~~ deregulation providing that such housing accommodation shall  
44 not be subject to the provisions of this law as of the first day of  
45 March in the year next succeeding the last day on which the tenant or  
46 tenants were required to provide the information required by such para-  
47 graph. A copy of such order shall be mailed by regular and certified  
48 mail, return receipt requested, to the tenant or tenants and a copy  
49 thereof shall be sent to the owner.

50 4. The provisions of the state freedom of information act shall not  
51 apply to any income information obtained by the division pursuant to  
52 this section.

53 (d) This section shall apply only to subparagraph (j) of paragraph two  
54 of subdivision e of section 26-403 of this ~~[code]~~ chapter.

55 (e) Upon receipt of such order of ~~[decontrol]~~ deregulation pursuant to  
56 this section, an owner shall offer the housing accommodation subject to  
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1 such order to the tenant at a rent not in excess of the market rent,  
2 which for the purposes of this section means a rent obtainable in an  
3 arm's length transaction. Such rental offer shall be made by the owner  
4 in writing to the tenant by certified and regular mail and shall inform  
5 the tenant that such offer must be accepted in writing within ten days  
6 of receipt. The tenant shall respond within ten days after receipt of  
7 such offer. If the tenant declines the offer or fails to respond within  
8 such period, the owner may commence an action or proceeding for the  
9 eviction of such tenant.

10 § 35. Section 26-504.1 of the administrative code of the city of New  
11 York, as amended by chapter 116 of the laws of 1997, is amended to read  
12 as follows:

13 § 26-504.1 Exclusion of accommodations of high income renters. Upon  
14 the issuance of an order by the division, "housing accommodations" shall  
15 not include housing accommodations which: (1) are occupied by persons  
16 who have a total annual income, as defined in and subject to the limita-  
17 tions and process set forth in section 26-504.3 of this chapter, in  
18 excess of ~~[one hundred seventy-five thousand dollars per annum]~~ the  
19 deregulation income threshold, as defined in section 26-504.3 of this  
20 chapter, for each of the two preceding calendar years ~~[, as defined in~~  
21 ~~and subject to the limitations and process set forth in section 26-504.3~~  
22 ~~of this chapter]~~; and (2) have a legal regulated monthly rent ~~[of two~~  
23 ~~thousand dollars or more per month]~~ that equals or exceeds the deregu-  
24 lation rent threshold, as defined in section 26-504.3 of this chapter.  
25 Provided, however, that this exclusion shall not apply to housing accom-  
26 modations which became or become subject to this law (a) by virtue of

27 receiving tax benefits pursuant to section four hundred twenty-one-a or  
28 four hundred eighty-nine of the real property tax law, except as other-  
29 wise provided in subparagraph (i) of paragraph (f) of subdivision two of  
30 section four hundred twenty-one-a of the real property tax law, or (b)  
31 by virtue of article seven-C of the multiple dwelling law.

32 § 36. Section 26-504.3 of the administrative code of the city of New  
33 York, as added by chapter 253 of the laws of 1993, subdivision (b) and  
34 paragraphs 1 and 2 of subdivision (c) as amended and subdivision (e) as  
35 added by chapter 116 of the laws of 1997, is amended to read as follows:

36 § 26-504.3 High income rent [~~decontrol~~] deregulation. (a) 1. For  
37 purposes of this section, annual income shall mean the federal adjusted  
38 gross income as reported on the New York state income tax return. Total  
39 annual income means the sum of the annual incomes of all persons whose  
40 names are recited as the tenant or co-tenant on a lease who occupy the  
41 housing accommodation and all other persons that occupy the housing  
42 accommodation as their primary residence on other than a temporary  
43 basis, excluding bona fide employees of such occupants residing therein  
44 in connection with such employment and excluding bona fide subtenants in  
45 occupancy pursuant to the provisions of section two hundred twenty-six-b  
46 of the real property law. In the case where a housing accommodation is  
47 sublet, the annual income of the tenant or co-tenant recited on the  
48 lease who will reoccupy the housing accommodation upon the expiration of  
49 the sublease shall be considered.

50 2. Deregulation income threshold means total annual income equal to  
51 one hundred seventy-five thousand dollars in each of the two preceding  
52 calendar years for proceedings commenced before July first, two thousand  
53 eleven. For proceedings commenced on or after July first, two thousand  
54 eleven, the deregulation income threshold means the total annual income  
55 equal to two hundred thousand dollars in each of the two preceding  
56 calendar years.

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1 3. Deregulation rent threshold means two thousand dollars for  
2 proceedings commenced before July first, two thousand eleven. For  
3 proceedings commenced on or after July first, two thousand eleven, the  
4 deregulation rent threshold means two thousand five hundred dollars.

5 (b) On or before the first day of May in each calendar year, the owner  
6 of each housing accommodation for which the legal regulated rent [~~is two~~  
7 ~~thousand dollars or more per month~~] equals or exceeds the deregulation  
8 rent threshold may provide the tenant or tenants residing therein with  
9 an income certification form prepared by the division of housing and  
10 community renewal on which such tenant or tenants shall identify all  
11 persons referred to in subdivision (a) of this section and shall certify  
12 whether the total annual income is in excess of [~~one hundred seventy-~~  
13 ~~five thousand dollars in each of the two preceding calendar years~~] the  
14 deregulation income threshold in each of the two preceding calendar  
15 years. Such income certification form shall state that the income level  
16 certified to by the tenant may be subject to verification by the depart-  
17 ment of taxation and finance pursuant to section one hundred seventy-  
18 one-b of the tax law and shall not require disclosure of any income  
19 information other than whether the aforementioned threshold has been  
20 exceeded. Such income certification form shall clearly state that: (i)  
21 only tenants residing in housing accommodations which have a legal regu-  
22 lated monthly rent [~~of two thousand dollars or more per month~~], that  
23 equals or exceeds the deregulation rent threshold are required to  
24 complete the certification form; (ii) that tenants have protections  
25 available to them which are designed to prevent harassment; (iii) that

26 tenants are not required to provide any information regarding their  
27 income except that which is requested on the form and may contain such  
28 other information the division deems appropriate. The tenant or tenants  
29 shall return the completed certification to the owner within thirty days  
30 after service upon the tenant or tenants. In the event that the total  
31 annual income as certified is in excess of [~~one hundred seventy-five~~  
32 ~~thousand dollars in each such year~~] the deregulation income threshold in  
33 each of the two preceding calendar years, the owner may file the certifi-  
34 cation with the state division of housing and community renewal on or  
35 before June thirtieth of such year. Upon filing such certification with  
36 the division, the division shall, within thirty days after the filing,  
37 issue an order providing that such housing accommodation shall not be  
38 subject to the provisions of this act upon the expiration of the exist-  
39 ing lease. A copy of such order shall be mailed by regular and certified  
40 mail, return receipt requested, to the tenant or tenants and a copy  
41 thereof shall be mailed to the owner.

42 (c) 1. In the event that the tenant or tenants either fail to return  
43 the completed certification to the owner on or before the date required  
44 by subdivision (b) of this section or the owner disputes the certifi-  
45 cation returned by the tenant or tenants, the owner may, on or before  
46 June thirtieth of such year, petition the state division of housing and  
47 community renewal to verify, pursuant to section one hundred seventy-  
48 one-b of the tax law, whether the total annual income exceeds [~~one~~  
49 ~~hundred seventy-five thousand dollars in each of the two preceding~~  
50 ~~calendar years~~] the deregulation income threshold in each of the two  
51 preceding calendar years. Within twenty days after the filing of such  
52 request with the division, the division shall notify the tenant or  
53 tenants named on the lease that such tenant or tenants must provide the  
54 division with such information as the division and the department of  
55 taxation and finance shall require to verify whether the total annual  
56 income exceeds [~~one hundred seventy-five thousand dollars in each such~~  
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1 ~~year~~] the deregulation income threshold in each of the two preceding  
2 calendar years. The division's notification shall require the tenant or  
3 tenants to provide the information to the division within sixty days of  
4 service upon such tenant or tenants and shall include a warning in bold  
5 faced type that failure to respond will result in an order being issued  
6 by the division providing that such housing accommodation shall not be  
7 subject to the provisions of this law.

8 2. If the department of taxation and finance determines that the total  
9 annual income is in excess of [~~one hundred seventy-five thousand dollars~~  
10 ~~in each of the two preceding calendar years~~] the deregulation income  
11 threshold in each of the two preceding calendar years, the division  
12 shall, on or before November fifteenth of such year, notify the owner  
13 and tenants of the results of such verification. Both the owner and the  
14 tenants shall have thirty days within which to comment on such verifica-  
15 tion results. Within forty-five days after the expiration of the  
16 comment period, the division shall, where appropriate, issue an order  
17 providing that such housing accommodation shall not be subject to the  
18 provisions of this law upon the expiration of the existing lease. A copy  
19 of such order shall be mailed by regular and certified mail, return  
20 receipt requested, to the tenant or tenants and a copy thereof shall be  
21 sent to the owner.

22 3. In the event the tenant or tenants fail to provide the information  
23 required pursuant to paragraph one of this subdivision, the division  
24 shall issue, on or before December first of such year, an order provid-

25 ing that such housing accommodation shall not be subject to the  
26 provisions of this law upon the expiration of the current lease. A copy  
27 of such order shall be mailed by regular and certified mail, return  
28 receipt requested, to the tenant or tenants and a copy thereof shall be  
29 sent to the owner.

30 4. The provisions of the state freedom of information act shall not  
31 apply to any income information obtained by the division pursuant to  
32 this section.

33 (d) This section shall apply only to section 26-504.1 of this ~~[code]~~  
34 chapter.

35 (e) Upon receipt of such order of ~~[decontrol]~~ deregulation pursuant to  
36 this section, an owner shall offer the housing accommodation subject to  
37 such order to the tenant at a rent not in excess of the market rent,  
38 which for the purposes of this section means a rent obtainable in an  
39 arm's length transaction. Such rental offer shall be made by the owner  
40 in writing to the tenant by certified and regular mail and shall inform  
41 the tenant that such offer must be accepted in writing within ten days  
42 of receipt. The tenant shall respond within ten days after receipt of  
43 such offer. If the tenant declines the offer or fails to respond within  
44 such period, the owner may commence an action or proceeding for the  
45 eviction of such tenant.

46 § 37. Paragraph (b) of subdivision 3 of section 171-b of the tax law,  
47 as amended by chapter 116 of the laws of 1997, is amended to read as  
48 follows:

49 (b) The department, when requested by the division of housing and  
50 community renewal, shall verify the total annual income of all persons  
51 residing in housing accommodations as their primary residence subject to  
52 rent regulation and shall notify the commissioner of the division of  
53 housing and community renewal as may be appropriate whether the total  
54 annual income exceeds ~~[one hundred seventy-five thousand dollars per~~  
55 ~~annum in each of the two preceding calendar years]~~ the applicable dereg-  
56 ulation income threshold in each of the two preceding calendar years.

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1 No other information regarding the annual income of such persons shall  
2 be provided.

3 § 38. Subparagraph (i) of paragraph (a) of subdivision 2 of section  
4 421-a of the real property tax law, as amended by chapter 288 of the  
5 laws of 1985, is amended to read as follows:

6 (i) Within a city having a population of one million or more, new  
7 multiple dwellings, except hotels, shall be exempt from taxation for  
8 local purposes, other than assessments for local improvements, for the  
9 tax year or years immediately following taxable status dates occurring  
10 subsequent to the commencement and prior to the completion of  
11 construction, but not to exceed three such tax years, except for new  
12 multiple dwellings the construction of which commenced between January  
13 first, two thousand seven, and June thirtieth, two thousand nine, shall  
14 have an additional thirty-six months to complete construction and shall  
15 be eligible for full exemption from taxation for the first three years  
16 of the period of construction; any eligible project that seeks to  
17 utilize the six-year period of construction authorized by this section  
18 must apply for a preliminary certificate of eligibility within one year  
19 of the effective date of the rent act of 2011, provided, however that  
20 such multiple dwellings shall be eligible for a maximum of three years  
21 of benefits during the construction period, and shall continue to be  
22 exempt from such taxation in tax years immediately following the taxable  
23 status date first occurring after the expiration of the exemption herein