

13 THINGS TO KNOW: EXPANSION OF RENT REGULATION AND TENANT PROTECTIONS

BACKGROUND: On June 14, 2019, the Governor enacted sweeping legislation expanding certain rent provisions statewide and altering the relationship between landlords and tenants in residential real estate.

NEED TO KNOW: EXPANSION OF RENT REGULATION: The Emergency Tenant Protection Act of 1974 ("Act") was expanded as part of this sweeping legislation. This Act established the system of rent stabilization and regulated rent as seen in New York City, and could be expanded to any village, town, or city if the local legislative body passes a resolution upon adequate public notice declaring an "emergency" after a finding that vacancy rates for any or all classes of housing are 5% or less.

TENANT PROTECTIONS: The legislation also strengthened the substantive rights of residential tenants against landlords while bolstering tenants' procedural rights in the face of an eviction. Notable provisions include:

NEW TENANT PROTECTIONS

- 1. Landlords Must Mitigate Damages:** A landlord is obligated to mitigate its damages in the event a tenant breaks a lease. For instance, a landlord must now attempt to re-lease the premises.
- 2. Security Deposits Limited to 1 Month:** In non-rent stabilized units, a deposit or advance shall not exceed the amount of one month's rent.
- 3. Application Fees are Prohibited:** A landlord cannot seek any payment for the processing, review, or acceptance of a rental application.
- 4. Background Fees are Capped:** Reimbursement for background and credit checks are limited to the lesser of the actual cost or \$20.
- 5. Late Payment Fees are Also Capped:** A late fee must be the lesser of \$50 or 5% of monthly rent.
- 6. Self-Help is Criminalized:** It is now a class A misdemeanor for a landlord to evict or attempt to evict a tenant who has occupied a dwelling unit for 30+ consecutive days without a warrant of eviction or order of a court. Civil penalties can range from \$1,000 to \$10,000 for each violation.
- 7. Strengthened Protections Against Retaliatory Evictions:** A landlord cannot serve a notice to quit or commence an eviction proceeding against a tenant who made a good faith complaint to the landlord or landlord's agent about the warranty of habitability, duty to repair, or other law.
- 8. Notice:** A landlord must now provide tenants with notice ranging from 30 days to 90 days if the landlord intends to increase rent by 5% or more or does not intend to renew the tenancy.

EVICCTIONS

- 1. Damages in Eviction Proceedings are Limited:** Additional rent, fees, charges, penalties, and costs are no longer recoverable from a tenant in an eviction proceeding.
- 2. Grounds for Eviction can be Rendered Moot if Tenant Makes Full Payment Prior to Hearing.**
- 3. Stays for Warrants:** A tenant can halt issuance of a warrant of eviction for a period of up to 1 year, increased from 6 months.
- 4. Timing of Eviction Proceedings:** Time periods for eviction proceedings were modified and often increased to the tenant's benefit. For example, landlord must give 14 days written notice (up from 3) demanding rent or possession prior to commencing a proceeding; tenant now has the right to adjourn trial for 14 days as of right; officer executing warrant must deliver 14 days written notice prior to evicting a tenant(s).
- 5. New Defense to Eviction Proceedings:** A landlord or its agent must provide written notice to a tenant of late rental payments not received within 5 days of the due date. Failure to deliver written notice can be raised as a defense in a later eviction proceeding.

This publication was prepared by Harris Beach PLLC for the benefit of the New York State Association of REALTORS, Inc. If you have any questions concerning the above please contact the NYSAR Legal Hotline at 518-436-9727.



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07/25/2019