



# New York State Rent Laws as of January 2021

## I. The COVID-19 Emergency Eviction and Foreclosure Prevention Act of 2020

The Act places a moratorium on residential evictions until May 1, 2021 for tenants who have endured COVID-related hardship. However, this is **NOT AUTOMATIC**. Please see details below:

### A. Residential Evictions

The Act places a moratorium on residential evictions until May 1, 2021. ***Tenants must submit a hardship declaration, or a document explaining the source of the hardship, to prevent evictions. Landlords can evict tenants that are creating safety or health hazards for other tenants, and those tenants who do not submit hardship declarations.***

If you are a Brooklyn resident who is experiencing tenant or police harassment/repression, please get in touch with Equality for Flatbush immediately.

### B. Residential Foreclosure Proceedings

The Act also places a moratorium on residential foreclosure proceedings until May 1, 2021. Homeowners and small landlords who own 10 or fewer residential dwellings can file hardship declarations with their mortgage lender, other foreclosing party or a court that would prevent a foreclosure.

### C. Tax Lien Sales

The Act prevents local governments from engaging in a tax lien sale or a tax foreclosure until at least May 1, 2021. Payments due to the locality are still due.

### D. Credit Discrimination and Negative Credit Reporting

Lending institutions are prohibited from discriminating against a property owner seeking credit because the property owner has been granted a stay of mortgage foreclosure proceedings, tax foreclosure proceedings or tax lien sales. They are also prohibited from discriminating because the owner is in arrears and has filed a hardship declaration with the lender.

## **E. Senior Citizens' Homeowner Exemption and Disabled Homeowner Exemption**

Local governments are required to carry over SCHE and DHC exemptions from the 2020 assessment roll to the 2021 assessment roll at the same levels. They are also required to provide renewal applications for anyone who may be eligible for a larger exemption in 2021. Localities can also set procedures by which assessors can require renewal applications from people who the assessors believe may no longer be eligible for an exemption in 2021. Recipients of the exemption do not have to file renewal applications in person.

**Source:** New York State [website](#)

<https://www.governor.ny.gov/news/governor-cuomo-signs-covid-19-emergency-eviction-and-foreclosure-prevention-act-2020#:~:text=The%20Act%20places%20a%20moratorium,the%20hardship%2C%20to%20prevent%20evictions>

## **II. Housing Stability and Tenant Protection Act of 2019**

Enacted on June 14, 2019, the new rules would be permanent and do not need to be renewed once they expire.

### **Highlights:**

#### **A. Preferential Rent**

Tenants paying a preferential rent on June 14, 2019, whether their lease started before, on, or after this date, cannot have their rents increased to the legal regulated rent at their next lease renewal.

#### **B. Rent Control**

Rent increases for tenants in rent controlled apartments will now be calculated by averaging the last five years increases for rent stabilized renewal leases, set by the Rent Guidelines Board. Rent controlled tenants will no longer pay or have their rent increased by fuel pass along charges.

### **C. Major Capital Improvements**

Increases in rent due to MCIs must be removed from the rent 30 years after the date the increase becomes effective inclusive of any increases granted by the Rent Guidelines Board and will no longer be a permanent rent increase.

Increases in rent due to MCIs are limited to no more than 2% above the tenant's rent in place at the time the MCI was awarded. The 2% cap applies to existing MCIs for any renewal lease beginning on or after June 14, 2019. Therefore, if an MCI has been awarded in the last seven years, any future increases based on those MCIs will be subject to the 2% annual cap.

The monthly MCI costs passed on to tenants will also now be lower because the formula for calculating costs has changed. The amortization period for MCIs has been lengthened to 12 years for buildings with 35 or fewer units and to 12.5 years for buildings with more than 35 units.

The burden for determining what qualifies as an MCI has significantly changed and the costs approved for MCIs will be based on a reasonable cost schedule that will be created by HCR.

HCR will annually inspect and audit 25% of all approved MCIs.

### **D. Vacancy Increases**

Owners may no longer apply a 20% increase to an apartment rent upon vacancy. Further, no Rent Guidelines Board is permitted to set a separate vacancy increase. If authorized by the Board, a one- or two-year lease guideline may be applied.

### **E. Rent Overcharge**

Tenants now have six years to claim a rent overcharge. The period for which a tenant can receive damages, including treble (triple) damages, as a result of a willful overcharge, has been extended to six years. Owners can no longer avoid treble damages simply because they refund an overcharge after a complaint has been filed.

### **F. Nonprofit Secured Housing**

Certain nonprofit corporations leasing rent stabilized apartments pursuant to government contracts to service vulnerable individuals or individuals with disabilities or individuals who

were homeless or at risk of homelessness and their residents are given occupancy protection under the rent stabilization law.

**Source: New York State website under Rent Laws 2019 Updates**

[https://hcr.ny.gov/system/files/documents/2019/10/rent-laws-overview-10\\_17\\_2019.pdf](https://hcr.ny.gov/system/files/documents/2019/10/rent-laws-overview-10_17_2019.pdf)