



New York State Assembly Member  
**Harvey Epstein**  
Assembly District 74



## SUMMARY OF THE HOUSING STABILITY AND TENANT PROTECTION ACT OF 2019

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In June of 2019, the State Legislature passed the strongest protections for New York's tenants in decades. The Housing Stability and Tenant Protection Act (HSTPA) makes fundamental changes to the laws that establish New York's system of rent regulated housing to better protect these tenants.

If you live in an apartment building with 6 or more units built after 1974, there is a good chance the changes enacted by the HSTPA will benefit you. The best way to determine whether or not you are a rent regulated tenant is to gain access to your apartment's rental history by visiting the New York State Homes and Community Renewal website at <https://hcr.ny.gov/most-common-rent-regulation-issues-tenants> and following their directions.

The HSTPA also strengthens the laws for unregulated tenants and regulated tenants alike by creating more eviction protections and reforming security deposit practices, among other safeguards.

**Read more below about how the HSTPA changed the landscape for renters in New York.**

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### **Extends and Makes Permanent Rent Regulation Laws**

- Makes permanent the state's rent regulation laws, including the Emergency Tenant Protection Act of 1974 (ETPA), which provide the process by which local governments declare a housing emergency and administer their rent regulation program.

***What this means for tenants:* The renewal of the state's rent regulation laws can no longer be used as a bargaining chip and potentially be put at risk of being watered down during negotiations between the Legislature and the Governor.**

## Repeals High Rent Vacancy Deregulation & High Income Deregulation

- Repeals statutes that currently allow units to be deregulated on vacancy if the rent reaches \$2,744 in New York City, or a corresponding amount in counties outside of the city, as well as if the rent reaches that threshold and the tenants earn more than \$200,000 per year for more than two years.

***What this means for tenants:* Landlords will no longer be incentivized to use bad faith and/or illegal tactics to raise tenants' rents to edge them towards deregulation.**

## Repeals Vacancy & Longevity Bonuses

- Repeals the statutory vacancy bonus, which allows landlords of rent regulated units to collect an automatic increase in rent of up to 20 percent on vacancy.
- Repeals the vacancy longevity bonus, which allows landlords of rent regulated units that have not claimed a vacancy increase for eight or more years to collect an automatic rent increase of 0.6 percent multiplied by the number of years since the last vacancy.
- Prohibits local Rent Guideline Boards (RGBs) from setting their own vacancy and longevity bonuses, and from adjusting rent increases for reasons not in the statute.

***What this means for tenants:* Landlords will no longer be incentivized to use bad faith and/or illegal tactics to push tenants out of their homes in order to gain a vacancy bonus. Further, these provisions close a loophole that allowed the Rent Guidelines Board from setting vacancy and longevity bonuses.**

## Reforms Preferential Rent

- Prohibits owners who offer tenants a "preferential rent," or rent below the legal regulated rent, from discontinuing the use of preferential rent or raising the rent to the full legal amount upon lease renewal.
- Landlords may charge any rent up to the full legal regulated rent once the tenant vacates the unit, as long as the tenant did not vacate due to the owners failure to maintain the unit.

***What this means for tenants:* Tenants can keep their preferential rent for the life of the tenancy.**

## Extends Rent Overcharge Look-Back to Six Years

- Eliminates the statute of limitations for tenants who claim their landlords have overcharged them, and extends the "look-back" period from four years to six years.

- Removes the ability for owners to avoid treble damages if they voluntarily return the amount of the rent overcharge prior to a decision being made by a court or the Department of Housing and Community Renewal (DHCR).

***What this means for tenants:*** Tenants will have more latitude to show a rent overcharge, which has the potential to make tenant victories in overcharge cases more achievable. Further, the provision would allow for six years of damages, including six years of triple damages (as opposed to two) thereby disincentivizing rent overcharges in the first place.

#### **Establishes Statewide Option for the ETPA**

- Expands eligibility for coverage under the ETPA to every county in New York State by removing geographic limitations, allowing any municipality to opt-in to rent stabilization if there is a housing emergency in which the rental vacancy rate is five percent or less.

***What this means for tenants:*** tenants living New York City counties are already able to enjoy the benefits of rent regulation; this provision allows other counties in the state to opt-in to rent regulation.

#### **Provides Relief from Large Rent Increases for Rent-Controlled Tenants**

- Limits rent-controlled rent increases to the lesser of 7.5 percent or a level equal to the average of the previous five RGB increases for one-year stabilized renewal leases.
- Prohibits fuel adjustments or pass-along increases for rent-controlled tenants.

***What this means for tenants:*** In general, among rent regulated tenants, those who are rent controlled have the lowest incomes. This provision lowers rent increases for these tenants.

#### **Reforms the Owner Use Exception**

- Limits the "owner use" provision to the use of a single unit of rent regulated housing stock by the owner or their immediate family as their primary residence.
- Provides tenants with cause of action if they are evicted because the landlord makes a fraudulent claim about the intended use of the unit.

***What this means for tenants:*** The new law makes it less likely a regulated tenant could lose their apartment to an owners' personal use.

#### **Keeps Stabilized Apartments Rented to Nonprofits in the Stabilization System**

- Requires units to remain rent-stabilized if they are provided by nonprofits to individuals who are, were or are at risk of becoming homeless.

***What this means for tenants:*** This provision ensures that more apartments will remain in the stabilized housing stock.

## Reforms Major Capital Improvement (MCI) Increases

- Caps the annual MCI rent increase at two percent statewide, down from the current six percent in New York City and 15 percent in other counties currently covered by ETPA.
- Caps any MCI rent increases approved within the last seven years at the lower percentage beginning in September 2019.
- Removes MCI increases and RGB increases based on an MCI after 30 years, instead of allowing them to remain in effect permanently.
- Tightens the rules governing the spending that qualifies for an MCI increase.
- Strengthens enforcement by requiring that 25 percent of MCIs be inspected and audited by DHCR annually.
- Lowers rent increases by lengthening the MCI formula's amortization period.

***What this means for tenants:*** Tenants will see lower rent increases.

## Reforms Individual Apartment Improvement (IAI) Increases

- Caps the amount of reimbursable IAI spending at \$15,000 over a 15 year period, for up to three separate IAIs.
- Removes IAI increases and RGB increases based on the IAI after 30 years, instead of allowing them to remain permanent.
- Lowers increases by lengthening the IAI formula's amortization period.
- Strengthens enforcement by requiring DHCR to randomly audit and inspect at least 10 percent of IAIs annually.

***What this means for tenants:*** Like the former MCI system, IAI's were badly under regulated, leaving the door open for landlords to pass along high costs to tenants.

**The new provisions reins in the costs able to be passed along to tenants such that, depending on building size, increases for IAI's will go up no more than \$83 or \$89 every fifteen years moving forward. This means more affordable apartments to move into. The law now provides many safeguards against abuse of the IAI system by"**

- **Requiring IAI costs to be "reasonable and verifiable" and for the work to be done by unaffiliated licensed contractors**
- **Requiring apartments be clear of serious violations**
- **Requiring tenants' consent for an IAI during tenancy on a form provided in the tenants' primary language**