

TENANTS & NEIGHBORS

Fact Sheet on Rent Law Renewal

I've heard that the rent laws are set to expire in 2011. What does this mean?

New York State's rent laws, which allow for the continued existence of rent regulation, expire or "sunset" periodically. When the laws are scheduled to sunset, the state legislature has to decide whether or not to extend them. Our rent regulation system protects tenants from the negative impacts of the severe housing shortage we face, such as speculative and unwarranted rent increases and baseless or retaliatory eviction, so if the rent laws were allowed to sunset it would have catastrophic consequences for tenants. The next sunset date is June 15, 2011.

How often do the rent laws expire?

When they renew the laws, the legislature decides when they will next sunset. Between 1974 and 1993, the typical renewal was for two years. The last three times that the rent laws came up for renewal were in 2003, 1997, and 1993.

Which laws are set to sunset in June of 2011?

The Emergency Tenant Protection Act of 1974 (the ETPA) and the Emergency Housing Rent Control Law of 1946 are set to sunset.¹

If the rent laws are allowed to expire, what will happen to rent stabilized tenants?

If the rent laws expire, all the rent stabilized apartments outside of New York City and apartments in New York City's that are regulated by the ETPA would most likely be converted to market rate housing when the tenants' leases expire.

What will happen to rent controlled tenants?

The apartments of the few remaining rent controlled tenants outside of New York City would probably be decontrolled immediately and subject to eviction without cause on thirty days' notice. There are probably no more than a few hundred of these units, most of which are in Westchester and possibly Buffalo, since most rent controlled units outside of New York City have already been decontrolled. In New York City, it is possible that rent controlled tenants would continue to be protected by the City's Rent and Rehabilitation Law, which would mean that their rent controlled status would continue through March of 2012, when the Council would need to extend rent control, which it is expected to do.

¹ New York City has its own local rent laws that are subject to renewal by the New York City Council, not the State Legislature. These local laws were enacted under the authority of a 1962 state law, the Local Emergency Housing Rent Control Act, and are not set to expire. Tenants protected by these laws may continue to be rent stabilized even if the state rent laws are allowed to expire.

I've heard that the last few times the rent laws were set to expire, the state legislature approved them, but with weakening amendments. What were these amendments?

1993

- Enacted the first decontrol amendments since 1971, high rent vacancy decontrol and high income high rent decontrol ²
- Eliminated meaningful penalties for landlords' failure to register rents and services
- Established the Individual Apartment Improvement Rent Increase formula

1997

- Instituted a twenty percent statutory vacancy bonus
- Tightened the four year rule on challenging rent overcharges
- Enacted permanent high rent vacancy decontrol and high income decontrol at the state level, extending them to the suburban counties and pre-empting the ability of the New York City Council to repeal these mechanisms

2003

- Tightened the Urstadt Law, which prevents New York City from enacting stronger tenant protections than New York State
- Changed the preferential rent system so that landlords can raise preferential rent tenants' rents to the legal regulated rent upon lease renewal

What weakening amendments might the landlord lobby try to push through in 2011?

The landlord lobby may try to undermine the 2009 *Roberts v Tishman Speyer* court decision, which clarified that landlords cannot deregulate rent stabilized units while receiving J-51 tax abatements. They may also try to lower the threshold at which apartments can be decontrolled and to reverse the recent *Cintron* and *Grimm* decisions, rulings by the state's highest court that made the four-year rule on challenging rent overcharges less rigid.

How can I help ensure the rent laws are renewed without weakening amendments?

The New York State Tenants & Neighbors Coalition is working with our allies in the Real Rent Reform Campaign to make sure that the rent laws are renewed without weakening amendments. We are also fighting to get the legislature to pass strengthening amendments to undo the damage that was done in previous years. To get involved, contact mtek@tandn.org.

Sources:

Collins, Tim: "An Introduction to the NYC Rent Guidelines Board and the Rent Stabilization System," 1996
McKee, Michael: "How the Landlords Weakened our Rent Laws," 2008

© 2010, *New York State Tenants & Neighbors Coalition*

² The New York City Council made these permanent features of the rent control and rent stabilization laws in 1994.