

## Governor Hochul Signs Legislation to Strengthen Protections for Rent Stabilized Tenants Throughout New York State

BRIAN KAVANAGH December 22, 2023



Senate Bill S2980 signed into Law

Legislation S2980-C/A6216-B Strengthens Tenant Protections by Making Various Changes to Avoid Improper Deregulations or Rent Increases and Strengthen Enforcement of the Rent Stabilization Laws

Governor Kathy Hochul today signed legislation to strengthen protections for rent stabilized tenants throughout New York State. Legislation S2980-C/A6216-B strengthens tenant protections by making various changes to avoid improper deregulations or rent increases

and improve enforcement of the rent stabilization laws.

"This legislation will help to protect the one million New Yorkers living in rent-stabilized apartments and give our state better, stronger tools to enforce our rent stabilization laws," **Governor Hochul said.** "As New York continues to face a costly housing crisis, my administration is committed to addressing the housing shortage, building new supply and making our state more affordable."

Legislation S2980-C/A6216-B strengthens tenant protections by clarifying the standards for determining whether a landlord has engaged in a fraudulent scheme to deregulate a unit, requiring landlords going forward to get approval from Homes and Community Renewal (HCR) prior to deregulating a unit due to a substantial rehabilitation, stiffening penalties for failing to register a unit, codifying methods for calculating rents after units are combined or modified, and reinforcing HCR's authority to enforce the rent stabilization laws, among other measures.

State Senator Brian Kavanagh said, "When we negotiated and enacted the Housing Stability and Tenant Protection Act in 2019, we put legal protections for millions of tenants in rent stabilized housing on stronger footing than they'd been in generations. The bill Governor Kathy Hochul is signing today is a critical step to ensure that we live up to the promise of that law: by permanently closing the so-called "frankensteining" loophole, which property owners have sometimes used to rapidly raise rents while combining previously affordable apartments; by ensuring that property owners are keeping their rent stabilized apartments properly registered with the State; and by giving tenants, the State housing agency, and the courts the tools they need to hold property owners accountable when they willfully overcharge tenants. I thank my fellow housing chair and bill sponsor Assemblymember Linda Rosenthal for championing this bill in the Assembly, our legislative colleagues, especially Leader Andrea Stewart-Cousins, Speaker Carl Heastie, and Assemblymember Jeff

Dinowitz, the many tenants and tenant advocates who pushed for these reforms, including the Legal Aid Society and Cooper Square Committee, the legislative and executive staffers who worked on these provisions, and, of course, Governor Kathy Hochul and Housing Commissioner RuthAnne Visnauskas for their leadership in our ongoing efforts to strive together to address the housing crisis and ensure that all New Yorkers have access to a stable, affordable place to live."

Assemblymember Linda B. Rosenthal said, "We have lost countless units of affordable housing because of loopholes and devious tactics that removed apartments from rent regulation, so I am happy that Governor Hochul saw fit to sign into law my bill cracking down on those practices. This new law ends frankensteining – a tactic that is commonly used to remove rent regulated stock from buildings – and has helped to displace many New Yorkers from their homes. Additionally, the practice of raising rents and fraudulently overcharging tenants has long been employed to make a quick buck, while robbing communities of muchneeded housing. This new law includes added safeguards against fraud in rent overcharge cases. I am proud that we have closed these loopholes and I look forward to building upon this progress next session."

Civil Law Reform Unit at The Legal Aid Society Attorney-In-Charge Judith Goldiner said, "For too long, landlords have employed 'Frankensteining' and other fraudulent tactics to raise rents to take advantage of loopholes in the law, worsening the local homelessness crisis and reducing our finite stock of affordable housing. With the stroke of a pen, Governor Hochul has corrected this injustice, providing low-income New Yorkers who reside in rent-stabilized housing basic protections to defend against this unscrupulous practice. The Legal Aid Society thanks the Governor, and bill sponsors Senator Brian Kavanagh and Assembly Member Linda Rosenthal for advancing \$2980C/A6216 into law."