



Changes in New York State Rent Law

What You Need to Know

Dear Friends,

If you are a renter in New York State, there are significant changes in the laws affecting tenants. The “Housing Stability and Tenant Protection Act of 2019” provides important protections for renters across the State, like how much a landlord can charge for a security deposit on new leases. For families living in rent-controlled or rent-stabilized apartments, the laws affect how much a landlord can increase your rent. Especially important are the changes for those with preferential rents, and for those living in a manufactured home park.



Every renter in New York should learn about these new protections. This publication will help you understand many of the most significant changes and how they might affect you. If you have a question about issues not covered in this document or if you think your landlord has broken New York’s tenant protection law, contact my office at (800) 771-7755; TDD/TTY Toll Free Line: (800) 788-9898.

Sincerely,

Letitia James

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New Laws Protecting All Residential Renters

Capping Security Deposits

- Landlords can only charge up to one month of rent for a security deposit or “advance payment.” This applies to all residential rentals, with a few exceptions, whether you have a lease or not.
 - › This means that if you are moving into an apartment where the rent is \$1500 a month, the most your landlord can charge for a security deposit is \$1500.
 - › This also means that your landlord may not charge you in advance for the last month’s rent if you are also paying a security deposit.

Limiting Late Payment Fees and Fees for Credit and Background Checks

- A rent payment can only be considered late if it is received more than five days after it is due.
- The most your landlord can charge as a late fee is \$50 or 5% of your monthly rent, whichever is less.
- Before signing a lease, the most a landlord can charge is \$20 for a credit and background check.
- The landlord has to give you a copy of the background/credit check, as well as an invoice from the company that performed it. Otherwise, they can’t charge you for it.
- You can provide your own background and credit check to avoid any fees, as long as the background/credit check was done in the past 30 days.



No More “Tenant Blacklists”

- A landlord cannot deny you an apartment, rental home, or any other type of rental based on a past legal conflict with a landlord. For example, a landlord cannot deny you an apartment because you sued your previous landlord to make repairs.
- If a landlord rejects your application after using a tenant screening service (a company that landlords use to see if you have ever been taken to court), and you have a past history of tenant-landlord disputes, the law assumes that you were rejected because of this history, and the landlord may have to pay a fine if they cannot give a good reason for denying you.

Making It Easier to Break a Lease

- If you leave your apartment or other rental home before your lease ends, your landlord has to make a good-faith effort to fill the vacancy. If the landlord finds a new tenant, and the new tenant's rent is equal or higher to your rent, your lease is considered terminated and you are no longer liable for the rent.

You Have a Right to a Receipt

- If you pay rent in cash or money order, your landlord must provide you with a receipt. If you pay rent by check, you may also request a receipt. You only have to ask once. After that, your landlord has to give you a receipt every month. Your landlord must keep proof of cash rent receipts for 3 years.

You Are Entitled to Notice of Past Due Rent

- Your landlord must send you a written notice by certified mail every time you are more than five days late with your rent. If your landlord fails to provide you with the notice, you can raise this as a defense in court.

New Protections in Case of Eviction

- If you lose a housing case and the judge orders your eviction, you can ask the court for up to one year to move if you can show that you cannot find a similar apartment in the same neighborhood. The judge will take into account your health conditions, whether you have children enrolled in school, the hardship on the landlord if you remain, and any other life circumstances that could affect your ability to move.
- The new law strengthens protections for tenants against retaliatory evictions and increases penalties for landlords who illegally lock tenants out of their homes.

Your Rights in Non-Payment Evictions

- Your landlord cannot bring you to court for non-payment of rent unless they have given you a 14-day written “rent demand.”
- Until you are evicted (i.e. the Sheriff or Marshal executes a warrant of eviction), you can have your non-payment case dismissed if you pay all rent that is owed.
- In a non-payment case, you can only be evicted for not paying your rent. You cannot be evicted for non-payment of other fees (such as late fees, legal fees, or any other “added” fee).

REMINDER:

When facing eviction, it is often a good idea to consult an attorney. There are many free legal service providers across New York State who can represent tenants who qualify for their services. Check **[lawhelp.org](https://www.lawhelp.org)**. The Office of the Attorney General cannot provide direct legal advice.

New Protections

for Residential Renters Who Do Not Live in Rent-Stabilized or Rent-Controlled Housing

Making It Easier to Get Your Security Deposit Back

- Your landlord must return your security deposit within 14 days of you moving out.
- If your landlord takes any money out of the security deposit for damages, they must provide an itemized “receipt” describing the damage and its cost. If your landlord doesn’t give you this receipt within 14 days of moving out, then they must return your entire security deposit, whether there is damage or not.
- If you are planning to move out, you can ask your landlord to inspect the apartment (or rental home or other type of home rental) before you move. They must allow you to be present during the inspection. At that inspection, the landlord must tell you what needs to be fixed or cleaned. You can then take care of the problems yourself to prevent the landlord from keeping part or all of your security deposit.
- If your landlord deliberately breaks this law, you may be entitled to up to twice the amount of the security deposit.

REMINDER:

Our office may be able to help you get back your rent security deposit. To request help, simply file a rent security complaint form with:

**Office of the New York State Attorney General
Bureau of Consumer Frauds and Protection**

28 Liberty Street
15th Floor
New York, NY 10005

ag.ny.gov
(800) 771-7755
TDD/TTY (800) 788-9898



Better Notice of Rent Increases and Lease Non-Renewals

- If you live in an apartment that is not rent stabilized or controlled, there is still no limit on how much your landlord can increase your rent. However, your landlord must give you advanced written notice before they can raise your rent 5% or more.
- If your landlord decides not to renew your lease, they must also give you advance written notice. This applies to month-to-month tenants without a lease as well.
 - > If you have lived in your apartment two years or more, or if you have a two-year lease, your landlord must provide you with 90 days advance written notice before raising your rent or not renewing your lease.
 - > If you have lived in your apartment for more than one year, but less than two years, your landlord must provide you with 60 days advance notice before raising your rent or not renewing your lease.
 - > If you have lived in your apartment for less than one year, or have a lease for less than one year, your landlord must provide you with 30 days advance notice before raising your rent or not renewing your lease.

If your landlord does not provide you with the required written notice, you have the right to remain in the apartment at your current rent until you are given the written notice and the time period that applies to you of 90, 60, or 30 days, expires.

New Protections

for Rent Regulated Tenants in New York

Rules for Major Capital Improvements (MCI) Increases

- The MCI formula has changed to limit the amount that landlords may collect after performing a major capital improvement.
 - › The amount your landlord can raise your rent due to an MCI increase is now capped at 2% of your current rent per year, and there is no retroactive amount.
 - › This 2% cap also applies to MCI increases that happened between June 16, 2012 and June 16, 2019 so any rent increase going forward will be limited to 2%.
- MCI increases cannot be added to your rent if there are any “hazardous” or “immediately hazardous” violations at your building. Your landlord must fix these violations before any MCI can be authorized by state regulators.
- If fewer than 35% of the apartments in your building are rent regulated, the landlord cannot get an MCI increase.
- MCI increases are now temporary and will be removed from your rent after 30 years.

MAJOR CAPITAL IMPROVEMENT (MCI)

is an increase in rent for a rent-stabilized or rent-controlled tenant, based on the money spent by the landlord on building-wide improvements. Landlords of rent regulated buildings who make building-wide improvements (for example, replacing the boiler, installing a new security system, or making major roof repairs) can apply to DHCR (a State Agency) to increase their tenants' rent.

If you believe your landlord is not following the law, you can make a complaint to the New York State Department of Homes and Community Renewal at hcr.ny.gov.

INDIVIDUAL APARTMENT IMPROVEMENTS (IAI)

are improvements made by a landlord to an individual apartment, usually when it is vacant.



Rules for Individual Apartment Improvements (IAI) Increases

- Landlords of rent-regulated buildings who make improvements to individual apartments that are vacant or with written approval by the tenant can raise the rent for that apartment, based on how much it cost to make the improvements. This is called an IAI.
- The new law limits how much your landlord can increase your rent because of an IAI.
 - › For buildings with 35 or fewer apartments, the most a landlord can raise the monthly rent due to an IAI is \$89.29. In buildings with more than 35 units, the most a landlord can raise the monthly rent due to an IAI is \$83.33.
- Before a landlord can collect a rent increase due to an IAI, they must first fix any “hazardous” or “immediately hazardous” violations in the apartment.
- The landlord must use licensed contractors to perform any work it intends to count as an IAI.
- A landlord can only claim up to three IAIs in a 15-year period.
- IAIs will be removed from your rent after 30 years.

Protections for Preferential Rents

- If you are paying a preferential rent, your landlord is no longer allowed to revoke it and raise your rent to the higher legal regulated rent.
- If you have a preferential rent, it will say so on your lease or on a lease rider. The lease will show your legal rent, and if you have a preferential rent, it will be shown in the section of the lease that says: “Lower rent to be charged, if any.”
- This means that your landlord cannot raise your preferential rent more than the percentage set by the Rent Guidelines Board, plus any charges for MCI or IAI, if they apply.

PREFERENTIAL RENT is when your landlord offers you a rent regulated lease in which your rent payment is less than what that landlord can legally charge under rent regulation.

No More Vacancy Increases

- Vacancy bonuses and longevity bonuses are now prohibited.
 - › The vacancy bonus allowed landlords to increase the rent of an apartment up to 20% once it became vacant.
 - › The longevity bonus allowed landlords to increase the rent if the previous tenant had been living in the apartment for eight years or more.

Curbing the Deregulation of Apartments

- In most cases, landlords are no longer allowed to take an apartment out of rent regulation when the rent is more than the “high-rent threshold” and the apartment becomes vacant.*
- In most cases, landlords may no longer take an apartment out of rent regulation if the tenant is considered “high-income.”*
- Apartments that were deregulated before June 15, 2019 will continue to be so. However, you should check your rent history, as the law now allows you to look back at your apartment’s rent history to challenge both the deregulation of your apartment and the rent you are being charged.

** “High rent” and “high income” deregulation may still apply to rent stabilized units in certain new buildings that receive tax abatements.*

To check your rent history, call the Office of Rent Administration at **(718) 739-6400**, or visit **portal.hcr.ny.gov/app/ask**.

New Protections

for Rent Controlled Tenants

Under the old law, landlords could raise your rent up to 7.5% every year in addition to fuel pass-along charges (plus any MCI and/or IAI increases).

Limiting Rent Increases

- The highest amount a landlord can increase your rent is the average of the five most recent Rent Guidelines Board annual rent increases for one-year renewals, or 7.5%, whichever is less.

No More Fuel Pass-along Charges

- Landlords may no longer include fuel charges on your rent.



If you believe your landlord is not following the law,
you can make a complaint to the New York State Department
of Homes and Community Renewal at
hcr.ny.gov.

New Protections

for Manufactured Home Parks

Limiting Rent Increases

- The new law limits how much a manufactured home park owner can increase your rent, including the lot rent and any fees or utilities.
- In most cases, rent increases are limited to 3%, but park owners can raise the rent up to 6% if the increase is determined to be “justifiable.”
- If your park owner asks for a rent increase that is more than 3%, you can challenge the increase in court. The judge will determine whether the increase is justifiable.

Rent-to-Own Protections

- If you are entering into a rent-to-own agreement with a manufactured home park owner, they must provide you with a contract that clearly describes:
 - › The terms of the contract.
 - › Any and all fees, rent, or other charges due during the life of the contract.
 - › The fair market value of the manufactured home.
 - › The responsibility of the manufactured home park owner to cover major repairs and improvements during the rental period.
 - › All leases must include a rider regarding tenant rights.
 - › Every rent-to-own contract must state that until the title to the property is transferred, you are occupying a rented home. It must also state that until that time, the park owner is responsible for keeping your home in habitable condition; making all major repairs and improvements; and keeping it free from conditions that would be dangerous to your health and safety.
- Once a year, you are entitled to an itemized account of all payments that you made in relation to the rent-to-own contract.
- If your lease is terminated by the park owner, the owner must pay back all of the rent-to-own payments that you paid in addition to any lot and/or home rent.

Capping Fees

- A manufactured home park owner cannot demand that a tenant pay attorneys' fees unless they are awarded those fees by a court order.
- Manufactured home park owners cannot collect late charges on rent payments received within 10 days of the due date, and then only if a late charge provision exists in the lease or manufactured home park rules.
- The maximum allowed late fee on rent payments has been lowered from 5% to 3%.
- Late charges cannot be compounded and are not considered to be additional rent.

Better Notice of Changes of Use

- If a park owner wants their current residents to leave because they are changing the manufactured home park to another use, the park owner cannot begin eviction proceedings until two years after they provide you with notice that they intend to change the use of the park.
- If you own the manufactured home and the park owner wants you to leave because they intend to change the use of the land, they have to pay you a stipend of up to \$15,000 in order to compensate you for the cost of moving your home.

If you believe a manufactured home park owner is not following the law, you may contact the New York State Department of Homes and Community Renewal (hcr.ny.gov).

The Manufactured Homes Complaint Program Hotline is
(800) 432-4210.

Resources

Office of the New York State Attorney General

ALBANY
The Capitol
Albany, NY 12224
(518) 776-2000
(800) 771-7755

NEW YORK CITY
28 Liberty Street
New York, NY 10005
(212) 416-8300

ag.ny.gov

NYS Division of Homes & Community Renewal (DHCR)

General Information
HCRInfo@nyshcr.org

Rent Stabilization or Control
RentInfo@nyshcr.org

nyshcr.org

nyshcr.org



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ag.ny.gov