Legal Alert: Amendments to the Rent Stabilization Code Adopted November 8, 2023

November 8, 2023

Today, the New York State Register published the amendments to the Rent Stabilization Code ("RSC"), NYS Tenant Protection Regulations ("TPR") and the NYS & NYC Rent Control Regulations. These amendments are effective as of today, November 8, 2023.

As noted in our prior alert, although the "Purpose" of these amendments as indicated in the Notice of Adoption is, "[t]o implement the changes required or informed by the Housing Stability and Tenant Protection Act of 2019," we believe that several amendments are unsupported by the HSTPA (thus making them subject to legal challenges), including,

- Elimination of a first rent when combining units;
- Changes to the requirements necessary to demonstrate a building underwent a substantial rehabilitation;
- Effectuates changes to the base date, overcharges and the default formula;
- Mandates an owner to add domestic partners to leases upon request;
- Precludes collection of an MCI rent increase retroactively to the effective date of a Rent Reduction Order;
- Provides that the continued payment of rent and execution of renewal leases by a tenant who vacated an apartment will not preclude a claim by a family member seeking tenancy rights pursuant to a claim of succession;
- Holds that the removal of a preferential rent from a current rent-stabilized tenant's lease will be considered harassment.

Additional amendments, not noted above, do in fact codify those portions of the HSTPA as written. These include the elimination of vacancy allowances, high rent vacancy decontrol, the complete overhaul and drastic reduction in temporary IAI and MCI rent increases, an expansion of the look-back period and recordkeeping requirements from four to six-years (if not indefinitely), amongst others.

We anticipate that DHCR will now begin the process of modifying the Agency's Fact Sheets and Operational Bulletins to reflect these amendments. The interpretation and application of these amendments will be an evolving process.

If you have any questions or wish to discuss how the foregoing may impact your building, please do not hesitate to contact the Administrative Law Department.