



NEW YORK STATE SENATOR

Liz Krueger

Democrats Press Cuomo on Rent Regulations

LIZ KRUEGER March 21, 2011

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A coalition comprising nearly every Democratic state lawmaker from New York City urged Gov. Andrew M. Cuomo in a letter, posted below, on Wednesday to press for extending and tightening the state's rent regulation laws as part of the budget deal he is negotiating with the Legislature.

"If the state does not act, millions of working- and middle-class New Yorkers will be at immediate risk of losing their homes," warned the lawmakers, about 90 of whom signed the letter to Mr. Cuomo, a Democrat. "We ask that you act boldly on tenants' behalf by requiring these reforms to be a part of any budget agreement."

The state budget is due at the end of March. The rent regulations, which limit the rent that landlords can charge on more than one million apartments in New York City and its suburbs, are set to expire on June 15, raising fears that hundreds of thousands of tenants will face substantial rent increases and be forced to move.

Landlords, who have invested millions of dollars in lobbying state officials on rent regulation, have argued that the laws have discouraged them from investing in improvements to rental apartments and ultimately depress the supply of affordable

apartments.

This month, Mr. Cuomo rebuffed suggestions by tenant advocates that he include a rent-law extension in his amended executive budget, released on March 3.

In a statement issued on Wednesday evening, Josh Vlasto, a spokesman for Mr. Cuomo, said that the governor was open to including rent regulations in his budget negotiations with the Legislature, a statement that stopped well short of Mr. Cuomo's pledging to make rent regulations a condition of any final deal.

"The governor is committed to the issue, would like to see it adopted as part of the budget and is working with both houses of the Legislature to see if we can get that done," Mr. Vlasto said. "Though rent regulation is not directly a state budget issue, addressing it sooner is better — so during the budget is preferable, but if not, doing so by June is a necessity."

The letter to Mr. Cuomo reflects growing concerns among Democrats that they will find their backs against the wall should they be forced to negotiate an extender bill separately from the budget, as they did in 2003, the last time the laws faced expiration.

Then, Gov. George E. Pataki, a Republican, and the Republican-controlled State Senate agreed to renew the laws, but they forced the Democratic-controlled Assembly to accept changes that tenant advocates believe have allowed landlords to start charging market rates on tens of thousands of formerly regulated apartments in recent years.

"The budget is the last best chance at a new and improved housing law," said State Senator Daniel L. Squadron, a Democrat who represents parts of Brooklyn and Manhattan. "We'll keep fighting for this, but it will be a whole lot harder to succeed" if Mr. Cuomo does not push for the changes.

The rent regulations stand as a top priority of Speaker Sheldon Silver of Manhattan and his fellow Assembly Democrats this legislative session and are backed by most Senate Democrats.

But Scott Reif, a spokesman for Dean G. Skelos of Long Island, the Senate Republican leader, said that the Senate was focused on the budget and that there was enough time to tackle rent laws afterward.

“We will deal with that issue at the appropriate time,” Mr. Reif said.

In interviews, some Democrats who signed the letter to the governor said they expected the budget process to end not in a three-way deal with Mr. Cuomo and the Senate, but rather with Mr. Cuomo using his emergency powers to force the Legislature to vote on his budget proposal or risk shutting down the government.

Their goal, the Democrats said, was to persuade Mr. Cuomo to include the rent regulations in any emergency budget bill, essentially using his leverage to force Senate Republicans to accept extended and strengthened rent laws.

“We think there’s an endgame here that the governor’s going to put out language in place that neither house of the Legislature will be in a position to change,” said Assemblyman Brian Kavanagh, a Manhattan Democrat whose district includes Stuyvesant Town, a housing complex with thousands of rent-stabilized units. “And we believe that rent regulation needs to be part of that.”

For Mr. Cuomo, the rent laws may offer an opportunity to mollify Democratic lawmakers who are uncomfortable with — and in some cases openly opposing — his cuts to education and health care spending, but without breaking his campaign pledges to rein in spending and oppose new taxes.

State Senator Liz Krueger, a Manhattan Democrat, said the governor had suggested to her in a recent meeting that he would not wait until the June 15 deadline loomed before tackling it.

“The governor has spoke to me and others concerned about this issue and told us that he wants to strengthen rent regulation laws and he would like to get this done within the time frame of the budget process,” Ms. Krueger said.

Seeking to expand the rent laws is not without complications for Mr. Cuomo. Like past governors, he has raised hundreds of thousands of dollars from real estate interests and from landlords who oppose expanding the rent regulations.

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