



NEW YORK STATE SENATOR

Brad Hoylman-Sigal

## SENATOR HOYLMAN & ASSEMBLYMEMBER LINDA B. ROSENTHAL ANNOUNCE LEGISLATION TO CRACK DOWN ON LANDLORDS WHO FLOUT RENT-STABILIZATION LAWS

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*Explosive new report shows up to 200,000 units of rent-stabilized apartments are not properly registered with the state's DHCR*

NEW YORK – On the heels of an explosive ProPublica report showing thousands of landlords are flouting New York’s rent-stabilization laws, State Senator Brad Hoylman and Assemblymember Linda B. Rosenthal this week will introduce new legislation that would significantly increase penalties against bad actors.

The ProPublica report showed close to 200,000 units of rent-stabilized apartments are not properly registered with the state’s Division of Housing and Community Renewal (DHCR) as required in exchange in many instances for receiving city property tax breaks worth over \$100 million each year, putting hundreds of thousands of tenants at risk of being overcharged on their rent or illegally evicted.

The report also noted that, according to NYC Housing and Preservation Development, landlords ignore these rent laws because penalties for failing to comply are so weak. (In 1993, lawmakers actually voted to reduce the penalties for not registering.)

Hoylman and Rosenthal’s new bill would increase the penalty for overcharging a rent-stabilized tenant to five times the amount of the overcharge, plus interest, for a landlord’s first violation, and ten times the amount of the overcharge, plus interest, for any subsequent violations. The current penalty is triple the amount of the overcharge for every offense, regardless of repeat offender status.

“ProPublica’s expose on the failure of landlords to register up to 200,000 rent-stabilized apartments is a wakeup call,” **said State Senator Brad Hoylman (D/WF-Manhattan)**. “It’s outrageous that landlords are bilking the system by taking valuable tax breaks with one hand, and cheating tenants out of rent stabilization with the other. It’s imperative we send a strong message to landlords that failure to comply with the law will not be tolerated. Under our legislation, any landlords who cheat New Yorkers out of affordable housing in this manner will face stiff and compounding penalties until they hold up their end of the

agreement.”

“The penalty must fit the crime,” **said Assemblymember Linda B. Rosenthal (D/WF-Manhattan).**

“For wealthy landlords and developers, the existing penalties for overcharging a rent-regulated tenant or failing to register a rent-regulated unit are merely the cost of doing business. Landlords and developers must no longer be allowed to use the public’s tax dollars to game their system for their own personal gain. With increased penalties, we will send a strong message that this behavior will no longer be tolerated.”