



DRAFT

A. General

- As a Homeowners for an Affordable New York member, I wanted to talk to you about bills that deeply concern us and property owners across the State.
- We are asking that legislators oppose S4659/A4877, S119/A1506, and S5645.
- None of these bills help address our housing supply crisis, nor do they help property owners maintain their buildings. Instead, they will impose new obligations that are challenging, if not impossible, for smaller owners to meet and that discourage investment in the state's housing stock.

- B. S4659/A4877:** This bill defines how a locality other than New York City may declare a housing emergency in its jurisdiction for the purpose of adopting tenant protections under the Emergency Tenant Protection Act (ETPA).

Does this proposal add housing or help address the housing shortage in New York State?

- Not at all. This bill does nothing to help build more housing.

How would this impact small landlords and property owners?

- This bill is another form of harassment against small property owners in New York State.
- All properties in a city or town outside of NYC would become rent-regulated. Including 1- and 2-family rentals eliminates exemptions on buildings with fewer than six units and removes rights from mom-and-pop landlords.
- This legislation fails to include any protection for small property owners.

Aren't buildings with six or fewer units currently exempt?

- Yes, They are currently exempt. This bill would no longer exempt them outside New York City.

Isn't there already a process to allow municipalities to adopt Rent Stabilization?

- Yes. New York State allows municipalities to declare a housing emergency and adopt rent stabilization rules based on a vacancy study.

- This bill suggests that even if the housing supply of a town or city meets its needs, the town or city should still be considered to be in an emergency.
- The current system has worked since its inception in 1974, allowing New York City to adopt these regulations and the rest of the state as appropriate.

Don't we have a system for determining a housing emergency?

- Yes. The law requires a vacancy study every three years to determine whether the vacancy rate is less than 5%.
- These criteria and rules have been studied and form the basis for housing across the State.

So why do we need a new criterion?

- NYS does not need a new criterion. Adding additional rules and criteria constitutes a backdoor attempt to allow a policy to be enacted where it is inappropriate.

How does this legislation account for buildings built since 1974?

- The legislation now covers construction that has occurred since 1974 and mirrors the exemption in Good Cause Eviction for buildings built in the last fifteen years.

So, is it a problem to include all housing stock?

- Yes, this proposal retroactively punishes those who have built new housing outside of New York City by limiting how they can rent these units years after the fact.

Why make this change now?

- This proposal attempts to circumvent the rules that have governed housing in New York State for years. There is no reason to change the rules now. New York State has a robust system that determines where and when a housing emergency exists. Now is not the time to make up new rules.

C. **S119/A1506**: Requires that any limited liability company that files a rent registration statement shall include a list of all members of such limited liability company and each member's ownership interest.

Is this bill redundant with the NY Corporate Transparency Act?

- Yes. The State of New York and the federal government both have existing LLC registration laws.

Does this bill help identify vacant units and do anything to add them back to the market?

- No, this bill will not achieve this stated purpose as the information required to be disclosed does nothing to help identify vacant units.

- No new housing would be built under this bill, nor would existing vacant units be identified.

How does the legislation account for the often complex ownership structures?

- The legislation fails to make a distinction or exemption for those currently exempt from certain disclosures under the New York Corporate Transparency Act (NYCTA).
 - Individuals owning less than 25 percent of a company have little control over an LLC and should not be burdened by this policy.
 - publicly traded companies for whom compliance would be impractical.
 - certain classes of individuals may not be appropriate to include in disclosures, such as minors and those whose only interest is a right of future inheritance.

How does the bill address the additional burden this will put on property owners, many of them small property owners?

- It does not. The legislation will saddle property owners with significant reporting obligations that are unnecessary, inconsistent with existing law, and invasive of owner’s privacy rights without furthering a public purpose.
 - Existing disclosure requirements provide appropriate protection to the public and tenants while ensuring regulators have more detailed information about the property owner.

The ownership information disclosed under this legislation could be subject to Freedom of Information Law (FOIL), unlike information disclosed under the New York Corporate Transparency Act (NYCTA).

- The legislation fails to include any of the provisions in the NYCTA that reduce regulatory burdens and ensure that the disclosure requirements are targeted appropriately.

D. S5645 Prohibits any person who owns or manages more than four rental units within the state from serving as a public member on a Rent Guidelines Board

*No Assembly same as is currently available

Why make this change now, especially after the legislature has not passed a nearly identical version for over a decade?

- The legislation has not moved because it does not address the fundamental issues that the Rent Guidelines Board considers.
 - The legislation also does not correct an existing imbalance on the board and would unfairly favor operators and owners of rent-stabilized housing.
- Further, the proposal does not address the housing cost for renters, owners, and managers.

Does this bill help address the costs borne by the owners and operators of rent-stabilized housing?

- No, this bill does nothing to help. It provides no relief or support to those owning and operating rent-stabilized housing while removing r from the conversation.

- People whose livelihoods are impacted by the Rent Guidelines Board would be excluded from participating.

Does this bill provide relief or protection to those who fear increasing their rent?

- No, all the bill would accomplish is to remove a voice for the operators from the conversations at the Rent Guidelines Board. It would not impact rent in any way and would provide no relief to renters.