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**THE COUNCIL OF THE CITY OF NEW YORK**

**COMMITTEE REPORT OF THE**

**HUMAN SERVICES DIVISION**

*Jeffrey Baker, Legislative Director*

*Andrea Vazquez, Deputy Director, Human Services Division*

**COMMITTEE ON AGING**

*Hon. Margaret Chin, Chair*

October 15, 2020

**PROPOSED INT. NO. 2030:** By Council Members Chin, Yeger, Kallos, Maisel, Brannan, Vallone, Ayala, Gjonaj, Louis, Rosenthal and Powers (by request of the Mayor)

**TITLE:** A Local Law to amend local law number 19 for the year 2014, amending the administrative code of the city of New York relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain senior citizens, and to amend local law number 39 for the year 2014, amending the administrative code of the city of New York relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain persons with disabilities, in relation to extending certain provisions thereof

**I. INTRODUCTION**

On October 13, 2020, the Committee on Aging, chaired by Council Member Margaret Chin held a vote on Proposed Int. No. 2030, sponsored by Council Member Margaret Chin, regarding increasing the maximum income qualifying level for those applying to New York State’s Senior Citizen Rent Increase Exemption (SCRIE) and Disability Rent Increase Exemption (DRIE) programs. The Committee on Aging previously heard this bill at a hearing on September 21, 2020. During that hearing, the Committee heard testimony from the Department for the Aging (DFTA) and various Aging advocates, stakeholders, and members of the public.

On October 13, 2020, the Committee passed Int. 2030 by a vote of five in the affirmative, zero in the negative, with zero abstentions.

**II. BACKGROUND**

The Senior Citizen Rent Increase Exemption (SCRIE) and the Disability Rent Increase Exemption (DRIE) programs, collectively referred to as the NYC Rent Freeze Program, provide rent exemptions from all or part of certain rent increases for senior citizens and persons with disabilities who live in rent-controlled, rent-stabilized, rent-regulated, Mitchell-Lama, and other qualifying subsidized housing. The programs reimburse landlords with real property tax credits equal to the amount in forgone rent and are established by New York state law.[[1]](#footnote-1)

State law allows municipalities the option to provide the SCRIE/DRIE programs locally and to decide on income eligibility requirements. In order for the program to be amended and extended, the State must first pass the extension of the law and New York City must then reauthorize that extension. In March 2014, the State passed a law authorizing the City to increase the income threshold for the SCRIE/DRIE programs to $50,000 per household.[[2]](#footnote-2) In May and July 2014, the City Council passed a local law authorizing this increase for SCRIE and DRIE, respectively.[[3]](#footnote-3)

The 2014 maximum income eligibility level increase expired in June 2020. New York State reauthorized the increase in June 2020, extending it through June 2022, [[4]](#footnote-4) and now the City must also do the same. Int. No. 2030 would thus amend Local Law number 19 of 2014 and Local Law number 39 of 2015, which increase the maximum level of income allowed for senior citizens and those with disabilities to qualify for rent increase exemptions. The bill matches the New York State law and extends the current qualifying maximum level of income through June 30, 2022.

**III. ANALYSIS OF LEGISLATION**

***Analysis of Int. No. 2030***

 Int. No. 2030 would authorize extending the current income eligibility limits for the Senior Citizen Rent Increase Exemption (SCRIE) and the Disability Rent Increase Exemption (DRIE) until June 30, 2022.

 Section 1 of this bill amends section 5 of local law number 19 for the year 2014 to expire on June 30, 2022.

 Section 2 of Int. No. 2030 amends local law number 39 for the year 2014 by increasing the maximum income qualifying level for the SCRIE and DRIE programs and extends the new sunset date for this legislation to June 30, 2022.

 The bill provides that the local law would take effect immediately and would be retroactive to and deemed to have been in full force and effect as of July 1, 2020.

**UPDATE**

 On October 13, 2020, the Committee passed Int. 2030 by a vote of five in the affirmative, zero in the negative, with zero abstentions.

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Int. No. 2030

By Council Members Chin, Yeger, Kallos, Maisel, Brannan, Vallone, Ayala, Gjonaj, Louis, Rosenthal and Powers (by request of the Mayor)

..Title

A Local Law to amend local law number 19 for the year 2014, amending the administrative code of the city of New York relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain senior citizens, and to amend local law number 39 for the year 2014, amending the administrative code of the city of New York relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain persons with disabilities, in relation to extending certain provisions thereof

..Body

Be it enacted by the Council as follows:

Section 1. Section 5 of local law number 19 for the year 2014, amending the administrative code of the city of New York relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain senior citizens, as amended by local law number 24 for the year 2017, is amended to read as follows:

§ 5. This local law shall take effect July 1, 2014 and shall expire and be deemed repealed June 30, [2020] 2022; provided that the amendment to section 26-509 of the administrative code of the city of New York made by section three of this local law shall not affect the expiration of such section and shall be deemed to expire therewith.

§ 2. Section 5 of local law number 39 for the year 2014, amending the administrative code of the city of New York relating to increasing the maximum income level qualifying for exemption for rent increases granted to certain persons with disabilities, as amended by local law number 24 for the year 2017, is amended to read as follows:

§ 5. This local law shall take effect on the same date as a chapter of the laws of 2014 amending the real property tax law relating to the tax abatement and exemption for rent regulated and rent controlled property occupied by persons with disabilities; and providing for the repeal of certain provisions upon expiration thereof, as proposed in legislative bill number A. 9744, takes effect, and shall expire and be deemed repealed on June 30, [2020] 2022; provided that, notwithstanding any other provision of law, any renewal application that was received before the effective date of this local law and that would have been timely if received on or after such effective date, pursuant to paragraph (6) of subdivision m of section 26-405, paragraph (6) of subdivision b of section 26-509, or subdivision (c) of section 26-605 of the administrative code of the city of New York, shall be deemed to have been received on or after such effective date; and provided further that the amendment to section 26-509 of the administrative code of the city of New York made by section two of this local law shall not affect the expiration of such section and shall be deemed to expire therewith.

§ 3. This local law takes effect immediately and is retroactive to and deemed to have been in full force and effect as of July 1, 2020.

1. *Freeze Your Rent,* New York City Government, *available at* <https://www1.nyc.gov/site/rentfreeze/index.page>. [↑](#footnote-ref-1)
2. NYC Department of Taxation and Finance, *Current status of property tax-related legislation Passed both Houses in 2020*, see <https://www.tax.ny.gov/research/property/legal/legis/20bills.htm> [↑](#footnote-ref-2)
3. Local Law 19 of 2014. [↑](#footnote-ref-3)
4. NYC Department of Taxation and Finance, *Current status of property tax-related legislation Passed both Houses in 2020*, see <https://www.tax.ny.gov/research/property/legal/legis/20bills.htm> [↑](#footnote-ref-4)