



Legislation Details (With Text)

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Title: A Local Law to amend the administrative code of the city of New York, in relation to requiring landlords to provide tenants with documentation of damages when deducting money from a tenant’s security deposit

Sponsors:

Indexes:

Attachments: 1. Summary of Int. No. 575, 2. Int. No. 575, 3. July 14, 2022 - Stated Meeting Agenda, 4. Hearing Transcript - Stated Meeting 7-14-22, 5. Minutes of the Stated Meeting - July 14, 2022

| Date | Ver. | Action By | Action | Result |
|------------|------|--------------|-----------------------------|--------|
| 7/14/2022 | * | City Council | Introduced by Council | |
| 7/14/2022 | * | City Council | Referred to Comm by Council | |
| 12/31/2023 | * | City Council | Filed (End of Session) | |

Int. No. 575

By Council Members Hudson, Kagan, Marte, Cabán, Louis, Hanif, Joseph, Avilés, Nurse, Gutiérrez and Sanchez

A Local Law to amend the administrative code of the city of New York, in relation to requiring landlords to provide tenants with documentation of damages when deducting money from a tenant’s security deposit

Be it enacted by the Council as follows:

Section 1. Title 26 of the administrative code of the city of New York is amended by adding a new chapter 35 to read as follows:

CHAPTER 35

RETURN OF SECURITY DEPOSIT

§ 26-3501 Definitions. As used in this chapter, the following terms have the following meanings:

End date. The term “end date” means the earliest of the following:

1. The expiration date of a rental agreement without renewal and without the initiation of a tenancy at

will, a tenancy by sufferance, a monthly tenancy or a month to month tenancy pursuant to article 7 of the real property law;

2. The date on which a tenant lawfully surrenders a premises or terminates a lease pursuant to article 7 of the real property law; or

3. The date on which a landlord may lawfully reenter a premises after terminating a rental agreement, a tenancy at will, a tenancy by sufferance, a monthly tenancy or a month to month tenancy pursuant to article 7 of the real property law.

Landlord. The term “landlord” means an owner, lessor, sublessor, assignee or other person receiving or entitled to receive rent for the use or occupancy of a premises or an agent of any of the foregoing.

Repairs. The term “repairs” means repairs or cleaning to address damage to a premises that the landlord did not cause and that did not result from the tenant’s reasonable use of the premises.

Security deposit. The term “security deposit” means money, whether cash or otherwise, paid to a landlord to be held for all or part of the term of a tenancy to secure performance of any obligation of the tenant under the rental agreement.

Tenant. The term “tenant” means a person paying or required to pay rent for a premises as a lessee, sublessee, licensee or concessionaire.

§ 26-3502 Documentation required when part or all of security deposit is withheld. a. No later than 21 calendar days after the end date of a residential or commercial tenancy, the landlord shall provide the tenant, by personal delivery, first-class mail or electronic mail, with a copy of an itemized statement describing the amount of any security deposit received from the tenant by the landlord as a condition of the tenancy, as well as any amount the landlord has deducted or intends to deduct from the security deposit for repairs or for any other purpose permitted by both the rental agreement and applicable law.

b. Along with the itemized statement required by subdivision a of this section, the landlord shall include copies of documents showing charges deducted or intended to be deducted by the landlord from the security

deposit, as follows:

1. (a) If the landlord has deducted or intends to deduct from the security deposit for the cost of repairs to the premises performed by the landlord or the landlord's employee, agent or affiliated management company, the landlord shall provide a reasonably complete description of the work performed, the time spent, the reasonable hourly rate charged and the total cost of the work to be deducted from the security deposit.

(b) If a person other than the landlord or the landlord's employee, agent or affiliated management company performed the repairs to be deducted from the security deposit, the landlord shall provide the tenant with a copy of the bill, invoice or receipt supplied by such person. The itemized statement required by subdivision a of this section shall provide the tenant with the name, address and telephone number of the person performing the repairs if the bill, invoice, or receipt does not include that information.

2. If the landlord has deducted or intends to deduct from the security deposit the cost of materials, the landlord shall provide a copy of the bill, invoice or receipt for such materials. If a particular material is purchased by the landlord on an ongoing basis, the landlord may provide a copy of a bill, invoice, receipt, vendor price list or other vendor document that reasonably documents the cost of the item used in the repairs of the premises.

c. If repairs cannot reasonably be completed within 21 calendar days after the end date of a residential or commercial tenancy, or if the documents from a person or entity providing services or materials are not in the landlord's possession within 21 calendar days after the end date of such a tenancy despite the landlord's best efforts, the landlord may deduct the amount of a reasonable estimate of the charges that will be incurred and provide such estimate to the tenant along with the itemized statement required by subdivision a of this section. If a bill, invoice or receipt from a person providing services or materials is not in the landlord's possession 21 calendar days after the end date of such a tenancy, the itemized statement required by subdivision a of this section shall include the name, address and telephone number of the person or entity providing such services or materials. Within 14 calendar days of completing the repairs or receiving the documentation, the landlord shall

complete the requirements of subdivision b of this section.

§ 26-3503 Damages for noncompliance; attorney's fees. Upon finding a violation of section 26-3502 in any action brought before a court of competent jurisdiction, the court may award damages to the tenant in the amount of one half of the security deposit, in addition to reasonable attorney's fees and other costs.

§ 26-3504 Outreach and education. The department shall conduct outreach and education efforts to inform landlords and tenants about the requirements of this chapter.

§ 2. Paragraph 1 of subdivision b of section 26-1102 of the administrative code, as added by local law number 45 for the year 2014, is amended to read as follows:

(1) owners' responsibilities with respect to eviction, heat and hot water, pest management, repairs and maintenance, security deposits, tenant organizations, rent-regulated leases, rental assistance for elderly or disabled tenants, and housing discrimination;

§ 3. Paragraph 1 of subdivision c of section 26-1103 of the administrative code, as added by local law number 45 for the year 2014, is amended to read as follows:

(1) owners' responsibilities with respect to eviction, heat and hot water, pest management, repairs and maintenance, security deposits, tenant organizations, rent-regulated leases, rental assistance for elderly or disabled tenants, and housing discrimination;

§ 4. This local law takes effect 120 days after it becomes law, except that the commissioner may take such measures as are necessary for its implementation, including the promulgation of rules, before such effective date.

Session 12
IP
LS #8449
6/13/22 4:30pm

Session 11
HB, PLS
LS #3292
Int. #442-2018