



**MEMORANDUM IN OPPOSITION**  
**S 2482A / A106A**

The Rent Stabilization Association of New York City (“RSA”) represents 25,000 diverse owners and managers who collectively manage more than one million apartments in every neighborhood and community throughout New York City. The RSA submits this memorandum in opposition of S2482A / A106A, which would increase the statutory penalty for willful and/or negligent rent overcharge from three times to five times the amount of the overcharge.

The increase of this penalty is unduly burdensome and punitive, in many instances to property owners who are liable for overcharges that can be traced either to before they bought the building or which are determined as result of an owner’s failure to keep proper records – not a justifiable reason to impose the draconian penalty on the owner of five times the amount of the overcharge.

Additionally, the bill fails to achieve the purported justification given for the bill, which is to penalize owners who fail to file proper or timely rent registrations. The failure to file a rent registration is not related to whether an owner has effectuated a rent overcharge, and therefore increasing the penalty for rent overcharge would not in any way relate to an owner’s failure to file rent registrations timely. In fact, the largest hurdle to filing late or amended rent registrations currently is DHCR’s policy which places restrictions on filing rent registrations for prior years; an owner who would like to file late or amended rent registrations for a time period that is more than one year overdue must seek DHCR approval by filing an administrative determination request, and such requests are not routinely granted. If the Legislature desires to encourage property owners to register buildings, then it can easily do so by easing the restrictions imposed by DHCR in the Rent Code Amendments of 2014 and permit owners to file rent registrations freely, without DHCR permission.

Accordingly, the RSA opposes this bill.