



## HOW THE PREFERENTIAL RENT EVICTION SCAM STARTED & WHY IT MUST BE REPEALED

We, tenants are pushing the New York State legislature to close the preferential rent scam loophole before the June 16<sup>th</sup> end of the 2016 legislative session!

Legislative bill S2828B (Liz Krueger et al.)/A3809A (Keith Wright et al.) closes this loophole that's allowing landlords to jump from the preferential rent to the legal rent when rent-stabilized tenants renew their leases. This can result in rent hikes of \$300-800 or more!

Most tenants cannot afford these rent increases, so they have to move out. The landlord then raises the rent another 20 percent (the vacancy bonus), and rents to another unsuspecting tenant at a similar preferential rent, repeating the scam. This scam is common in low income neighborhoods and communities of color all over the five boroughs & three suburban counties.

S2828B/A3809A restores the preferential rent law to its pre-2003 status. In 2003 Governor George Pataki pushed the preferential rent loophole through on the last night of legislative session as part of the eight-year extension of rent laws. Republican Senate Majority Leader Joe Bruno passed the bill shortly after midnight, then adjourned for the year, sending it to the Assembly on a take-it-or-leave-it basis. Faced with a choice of swallowing this or allowing the rent laws to expire, the Assembly passed the bill. Before 2003, landlords could jump to the legal rent only when the tenant moved out. They were required to renew leases based on the lower preferential rent. But not anymore.

To close the preferential rent loophole and win other pro-tenant reforms, Assembly Speaker Carl Heastie must make it clear to the Senate Republicans [and Governor] that he will not agree to renewal of the 421-a tax subsidy for real estate developers, or anything else the Senate wants, unless significant rent laws are part of the package. At the moment many observers believe that a deal on 421-a will not happen. But if it does, we want to use it as leverage. Things can change overnight in Albany, especially in the end-of-session rush. We tenants must get commitments from our legislators that they will insist on this!

Here is a list of current sponsors of the Senate and Assembly Preferential Rent Reform bills:

**S2828B:** Liz Krueger (Manhatt.), Tony Avella (Qns), Ruben Diaz Sr. (BX), Martin Dilan (BK), Jesse Hamilton (Bklyn), Ruth Hassell-Thompson (BX/Westchester), Brad Hoylman (Manhatt.), Kevin Parker (Bklyn), Jose Peralta (Qns), Bill Perkins (Manhatt.), Gustavo Rivera (BX), James Sanders Jr. (Qns), Jose M. Serrano (BX/Manhatt.), Daniel Squadron (Bklyn/Manhatt.), Toby Ann Stavisky (Qns).

**A3809A:** Keith Wright (Manhatt.), Linda Rosenthal (Manhatt.), Richard Gottfried (Manhatt.), Walter Mosley (Bklyn), Rodneyse Bichotte (Bklyn), Victor Pichardo (BX), Latoya Joyner (BX), Guillermo Linares (Manhatt./BX).

If your elected official is not on this list, please call them: Ask them to become a sponsor!

**Senator Jeff Klein:** 718-822-2049

**Assemblywoman Carmen Arroyo:** 718-292-2901

**Assemblyman Benedetto:** 718-892-2235

**Assemblyman Michael Blake:** 718-538-3829

**Assemblyman Jeff Dinowitz:** 718-796-5345

**Assemblyman Heastie:** 718-654-6539

**Assemblyman Mark Gjonaj:** 718-409-0109

**Assemblyman Rivera:** 718-933-2204

**Assemblyman Marcos Crespo:** 718-893-0202

**Assemblyman Luis Sepulveda:** 718-931-2620

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