

Federal Court Dismisses Facial Constitutional Challenges to New York's Rent Stabilization Laws

10/01/20

In February and April of this year, Selendy & Gay, along with The Legal Aid Society and Legal Services New York, moved to dismiss two lawsuits challenging the constitutionality of New York's rent stabilization regime, as recently amended by the Housing Stability and Tenant Protection Act of 2019 (HSTPA). On September 30, the motions were largely granted.

Rent stabilization has protected tenants in New York for half a century. In 1969, New York City adopted rent stabilization laws to temper runaway rent prices and maintain neighborhood stability by helping tenants stay in their homes. The state has repeatedly amended the laws and modified the regulatory scheme in the decades since.

In 2019, the state legislature enacted the HSTPA to strengthen tenant protections. Among other things, the HSTPA placed further limits on New York landlords' ability to impose oppressive rent increases and evict tenants with short notice.

That same year, groups of landlords and landlord associations filed lawsuits in the Eastern District of New York challenging the constitutionality of the rent stabilizations laws, asserting claims under the Takings, Due Process, Equal Protection and Contract Clauses of the U.S. Constitution. The plaintiffs in both cases sought to strike down the carefully calibrated rent stabilization regime.

Selendy & Gay and the Legal Aid Society and Legal Services New York [intervened in both lawsuits to defend New York's rent stabilization regime](#) on behalf of non-profit tenant-advocacy organizations N.Y. Tenants & Neighbors, Community Voices Heard and Coalition for the Homeless, all of which provide vital services for those who would be severely impacted were the landlords to succeed. Intervenor, along with the State and City, moved to dismiss the complaints in both actions.

Yesterday, [Judge Eric R. Komitee rejected the facial constitutional challenges to the rent stabilization laws in their entirety and dismissed all of the as-applied challenges](#) except for those associated with two buildings. With respect to these few remaining claims, the court cautioned that the landlords face a "heavy burden."

Community Voices Heard has intervened in three similar suits, with New York Tenants & Neighbors also intervening in two. Motions to dismiss all three lawsuits are pending.

The Selendy & Gay team includes Sean Baldwin, Caitlin Halligan, Michael Duke, Babak Ghafarzade and Sophie Lipman. The motions were argued by Duke.

Attorneys

- Sean Baldwin
- Babak Ghafarzade

Practice

- Public Interest and Pro Bono