

## Second Circuit Affirms Dismissals of Challenges to Rent-Stabilization in Two More Cases

March 13, 2024

The Legal Aid Society, Legal Services NYC, and Selendy Gay PLLC, alongside the New York State Attorney General's Office and the New York City Law Department, secured another favorable ruling by the U.S. Court of Appeals for the Second Circuit upholding New York's rent-stabilization regime against constitutional challenges by landlord groups in *Building and Realty Institute of Westchester and Putnam Counties, Inc., et al. v. State of New York, et al.* and *G-Max Management, Inc., et al. v. State of New York, et al.*

On Tuesday, March 12, the Second Circuit issued a consolidated summary order affirming the district court's dismissals of the challenges, which were the remaining two in a series of five cases that Selendy Gay, Legal Aid, and LSNYC have been fighting since 2019. The court held that these two cases were almost entirely controlled by the favorable rulings Selendy Gay, Legal Aid, and LSNYC secured in the earlier three cases, and the court rejected the landlords' additional claims and arguments as meritless.

Rent stabilization, which has existed in some form or another in New York for a century, protects tenants in about a million apartments in NYC (half the city's rental housing stock) and tens of thousands of apartments across the state. The laws and regulations protect tenants against rent shocks and unjustified evictions, while allowing landlords to make reasonable returns, evict unsatisfactory tenants, or exit the rental market altogether through various means.

After the state legislature enacted a sweeping set of amendments to rent stabilization and other landlord-tenant laws in 2019, five groups of landlords and landlord associations filed separate federal lawsuits attempting to either nullify the 2019 amendments or pull out the entire rent-stabilization regime root and branch. Along with Legal Aid and Legal Services NYC, Selendy Gay [obtained intervenor status](#) for three tenant-advocacy organizations that were instrumental in lobbying for the 2019 amendments: N.Y. Tenants & Neighbors, Community Voices Heard, and Coalition of the Homeless.

After [winning dismissals](#) of [all five suits](#) on the pleadings, Selendy Gay and its co-counsel defended those decisions on appeal before the Second Circuit, which has now affirmed the district courts' decisions in all five cases. In the first three cases, the Supreme Court [denied](#) the landlords' petitions for certiorari.

The team at Selendy Gay is led by partners Faith Gay and Sean Baldwin, Special Counsel Corey Stoughton, and associate Babak Ghafarzade.

[Read the decision.](#)

### Attorneys

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### Practice

- Public Interest and Pro Bono