STATE OF NEW YORK

6471--A

2025-2026 Regular Sessions

IN SENATE

March 14, 2025

Introduced by Sen. CLEARE -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property law, in relation to the use of automated housing decision making tools to make housing decisions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The real property law is amended by adding a new section 227-g to read as follows:

§ 227-g. Use of automated housing decision making tools. 1. For the purposes of this section, the following terms shall have the following meanings:

(a) "Automated housing decision making tool" means any software that uses algorithms, computational models, or artificial intelligence techniques, or a combination thereof, to materially automate, substantially assist, or replace human decision-making regarding housing decisions that impact natural persons. "Automated housing decision making tool" does not include a tool that does not automate, support, substantially assist, or replace discretionary decision-making processes and that does not materially impact natural persons, including, but not limited to, a junk email filter, firewall, antivirus software, calculator, spreadsheet, database, data set, or other compilation of data.

(b) "Disparate impact analysis" means an impartial evaluation conducted by an independent auditor. Such disparate impact analysis shall include, but not be limited to, testing of the extent to which use of an automated housing decision making tool is likely to result in an adverse impact to the detriment of any group on the basis of sex, race, ethnicity, or other protected class under this article. A disparate impact analysis shall differentiate between applicants who were selected and applicants who were not selected by the tool.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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(c) "Housing decision" means to screen applicants for housing.

2. It shall be unlawful for a landlord to implement or use an automated housing decision making tool, including the use of an automated housing decision making tool that issues a score, classification, or recommendation, that fails to comply with the following provisions:

(a) No less than annually, a disparate impact analysis shall be conducted to assess the actual impact of any automated housing decision making tool used by any landlord to select applicants for housing within the state. Such disparate impact analysis shall be provided to the landlord.

(b) A summary of the most recent disparate impact analysis of such tool as well as the distribution date of the tool to which the analysis applies shall be made publicly available on the website of the landlord prior to the implementation or use of such tool. Such summary shall also be made accessible through any listing for housing on a digital platform for which the landlord intends to use an automated housing decision making tool to screen applicants for housing.

3. (a) Any landlord that uses an automated housing decision making tool to screen applicants for housing shall notify each such applicant of the following:

(i) That an automated housing decision making tool will be used in connection with the assessment or evaluation of such applicant;

(ii) The characteristics that such automated housing decision making tool will use in the assessment of such applicant;

(iii) Information about the type of data collected for such automated housing decision making tool, the source of such data, and the landlord's data retention policy; and

(iv) If an application for housing is denied through use of the automated housing decision making tool, the reason for such denial.

(b) The notice required by paragraph (a) of this subdivision shall be made no less than twenty-four hours before the use of such automated housing decision making tool and shall allow such applicant to request an alternative selection process or accommodation.

4. The attorney general may initiate an investigation if a preponderance of the evidence, including the summary of the most recent disparate impact analysis establishes a suspicion of a violation. The attorney general may also initiate in any court of competent jurisdiction any action or proceeding that may be appropriate or necessary for correction of any violation issued pursuant to this section, including mandating compliance with the provisions of this section or such other relief as may be appropriate.

§ 2. This act shall take effect immediately.