S T A T E O F N E W Y O R K

2198

2011-2012 Regular Sessions

I N A S S E M B L Y

January 14, 2011

Introduced by M. of A. WRIGHT -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property law, in relation to fees landlords may charge tenants

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 220-a to read as follows:

S 220-A. APPLICATION FEES. 1. WHEREVER USED IN THIS SECTION:

A. "APPLICATION FEE" MEANS ANY APPLICATION PROCESSING FEE OR CREDIT CHECK CHARGE OR SIMILAR CHARGE THAT A POTENTIAL TENANT MUST PAY OR IS IN ANY WAY REQUESTED TO PAY TO A LANDLORD IN ORDER TO BE CONSIDERED FOR RENTAL OR LEASE OF ANY REAL PROPERTY OR PORTION THEREOF USED FOR RESIDENTIAL PURPOSES.

B. "POTENTIAL TENANT" MEANS ANY PERSON WITH AN INTENTION TO LEASE OR RENT ANY REAL PROPERTY OR PORTION THEREOF FOR RESIDENTIAL PURPOSES, EXCLUDING POTENTIAL TENANT SHAREHOLDERS OF COOPERATIVE HOUSING CORPORATIONS.

C. "LANDLORD" MEANS ANY OWNER, MANAGING AGENT OR PRIME LESSOR OF REAL PROPERTY OR ANY REAL ESTATE BROKER, PROVIDED, THAT THIS SECTION SHALL NOT LIMIT THE FEE THAT CAN BE LAWFULLY CHARGED BY SUCH BROKER IF THE POTENTIAL TENANT ENTERS INTO A LEASE OR OCCUPIES REAL PROPERTY FOR RESIDENTIAL PURPOSES AS A RESULT OF THE BROKER'S SERVICES.

2. A LANDLORD MAY CHARGE A POTENTIAL TENANT AN APPLICATION FEE EQUAL TO THE ACTUAL COST OF A CREDIT CHECK OR OTHER RELATED SERVICES PAID FOR BY A LANDLORD TO A THIRD PARTY, PROVIDED, HOWEVER, THAT THE TOTAL OF SUCH FEE OR FEES SHALL NOT EXCEED THIRTY DOLLARS.

3. WHERE A LANDLORD CHARGES APPLICATION FEES IN VIOLATION OF THIS SECTION, A POTENTIAL TENANT MAY FILE A COMPLAINT WITH THE CONSUMER PROTECTION BOARD. UPON A FINDING BY THE BOARD THAT A LANDLORD HAS VIOLATED THE PROVISIONS OF THIS SECTION, THE BOARD SHALL IMPOSE A FINE

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

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OF ONE HUNDRED DOLLARS FOR A FIRST OR SECOND VIOLATION AND A FINE OF TWO HUNDRED FIFTY DOLLARS FOR A THIRD OR ANY SUBSEQUENT VIOLATION.

S 2. This act shall take effect on the ninetieth day after it shall have become a law.