STATE OF NEW YORK

5458--A

2019-2020 Regular Sessions

IN SENATE

May 1, 2019

Introduced by Sen. GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary -- recommitted to the Committee on Judiciary in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property law, in relation to sale or rent of illegally converted dwellings

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 443-b to read as follows:

§ 443-b. Sale or rent of property violating illegal conversion rules. No real estate broker, agent or salesman shall list for sale, sell or offer to sell, or list for rent, rent or offer to rent any illegally converted dwelling. For the purposes of this section, an illegal conversion shall mean any change in the structural parts or existing facilities of any building, including, but not limited to, the subdivision of rooms, or erection or demolition of walls, or the moving of any building from one location or position to another, in violation of any state or local law, ordinance, code or rule or regulation relating to real property, buildings or multiple dwellings.

§ 2. Paragraph (a) of subdivision 1 of section 441-c of the real property law, as amended by chapter 81 of the laws of 1995, is amended to read as follows:

(a) The department of state may revoke the license of a real estate broker or salesman or suspend the same, for such period as the department may deem proper, or in lieu thereof may impose a fine not exceeding one thousand dollars payable to the department of state, or a reprimand upon conviction of the licensee of a violation of any provision of this article, or for a material misstatement in the application for such license, or if such licensee has been guilty of fraud or fraudulent

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

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practices, or for dishonest or misleading advertising, or has demonstrated untrustworthiness or incompetency to act as a real estate broker or salesman, as the case may be. **Upon a finding that a broker, agent or salesman has violated the provisions of section four hundred forty-three-b of this article, the department shall impose a fine of ten thousand dollars for a first violation and a fine of fifteen thousand dollars for a second violation. Upon a third violation of such section the department shall revoke the license issued under this article.** In the case of a real estate broker engaged in the business of a tenant relocator, untrustworthiness or incompetency shall include engaging in any course of conduct including, but not limited to, the interruption or discontinuance of essential building service, that interferes with or disturbs the peace, comfort, repose and quiet enjoyment of a tenant.

§ 3. This act shall take effect immediately.