STATE OF NEW YORK

7729

IN SENATE

January 7, 2022

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the real property law, in relation to requiring real estate brokers to institute standardized operating procedures for the prerequisites prospective homebuyers shall meet prior to receiving any services; and to amend a chapter of the laws of 2021 amending the real property law relating to requiring the secretary of state to promulgate regulations requiring real estate brokers to institute standardized operating procedures for the prerequisites prospective homebuyers shall meet prior to receiving any services, as proposed in legislative bills numbers S. 2131-A and A. 6186, in relation to the effectiveness thereof

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

Section 1. Subdivision 4 of section 442-h of the real property law, as added by a chapter of the laws of 2021 amending the real property law relating to requiring the secretary of state to promulgate regulations requiring real estate brokers to institute standardized operating procedures for the prerequisites prospective homebuyers shall meet prior to receiving any services, as proposed in legislative bills numbers S. 2131-A and A. 6186, is amended to read as follows:

4. (a) [~~The secretary of state, upon notice and a public hearing,~~] **Each real estate broker** shall [~~promulgate rules and regulations requiring real estate brokers to~~] institute standardized operating procedures for the prerequisites prospective homebuyers must meet prior to receiving any services. Such [~~rules and regulations~~] **standardized operating procedures** shall include but not be limited to the following:

(i) whether prospective clients shall show identification;

(ii) whether an exclusive broker agreement is required; [~~and~~]

(iii) whether pre-approval for a mortgage loan is required**; and**

(iv) any other such standardized operating procedures as the secretary of state shall determine by regulation and upon notice and public hearing.

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

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(b) Real estate brokers shall [~~submit~~] **date stamp, notarize and post** such standardized operating procedures [~~to the department of state and the department of state~~] **on any publicly available website and mobile device application they maintain, shall make a copy of such procedures available to the public upon request at their office locations, and** shall maintain a file of such standardized operating procedures while the broker's license is active [~~and for at least five years thereafter~~]**. Any website or mobile device application maintained by a team or a real estate salesperson should also have the brokers' policies posted or have a direct link from such website or mobile device application to the brokers' website or mobile device application**. If any alterations are made to the standardized operating procedures subsequent to such [~~submission~~] **posting**, real estate brokers shall [~~notify and submit~~] **date stamp, notarize and post** such new standard operating procedures **on any publicly available website or mobile device application they maintain** within thirty days**, and archive such alterations**. Any **broker or** salesperson operating under a brokerage license that fails to adhere to such operating procedures shall be subject to the penalties imposed by section four hundred forty-one-c of this article.

(c) Any time a real estate broker is required to renew their license they must affirm to the department of state that they are in compliance with the requirements of this subdivision related to standardized operating procedures.

§ 2. Section 3 of a chapter of the laws of 2021 amending the real property law relating to requiring the secretary of state to promulgate regulations requiring real estate brokers to institute standardized operating procedures for the prerequisites prospective homebuyers shall meet prior to receiving any services, as proposed in legislative bills numbers S. 2131-A and A. 6186, is amended to read as follows:

§ 3. This act shall take effect [~~immediately~~] **on the one hundred twentieth day after it shall have become a law**.

§ 3. This act shall take effect immediately, provided, however, that section one of this act shall take effect on the same date and in the same manner as a chapter of the laws of 2021 amending the real property law relating to requiring the secretary of state to promulgate regulations requiring real estate brokers to institute standardized operating procedures for the prerequisites prospective homebuyers shall meet prior to receiving any services, as proposed in legislative bills numbers S. 2131-A and A. 6186, takes effect.