STATE OF NEW YORK

4781

2023-2024 Regular Sessions

IN ASSEMBLY

February 23, 2023

Introduced by M. of A. MAMDANI, BURGOS, CRUZ, DAVILA, EPSTEIN, FORREST, GALLAGHER, GONZALEZ-ROJAS, MITAYNES, L. ROSENTHAL, JACKSON -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property law, in relation to prohibiting landlords, lessors, sub-lessors and grantors from demanding brokers' fees from a tenant

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

Section 1. Paragraph (a) of subdivision 1 of section 238-a of the real property law, as amended by chapter 789 of the laws of 2021, is amended to read as follows:

(a) Except in instances where statutes or regulations provide for a payment, fee or charge, no landlord, lessor, sub-lessor or grantor may demand any payment, fee, or charge for the processing, review or acceptance of an application, or demand any other payment, fee or charge before or at the beginning of the tenancy, **including but not limited to broker's fees,** except background checks and credit checks as provided by paragraph (b) of this subdivision, provided that this subdivision shall not apply to entrance fees charged by continuing care retirement communities licensed pursuant to article forty-six or forty-six-A of the public health law, assisted living providers licensed pursuant to article forty-six-B of the public health law, adult care facilities licensed pursuant to article seven of the social services law, senior residential communities that have submitted an offering plan to the attorney general, or not-for-profit independent retirement communities that offer personal emergency response, housekeeping, transportation and meals to their residents. Nothing in this paragraph shall prohibit a cooperative housing corporation, other than a cooperative housing corporation subject to the provisions of article two, article four, article five or article eleven of the private housing finance law, from demanding from a prospective tenant any payment, fee or charge which is necessary to

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

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compensate a managing agent and/or transfer agent for the processing, review or acceptance of such prospective tenant's application where such prospective tenant would become a dwelling unit owner or shareholder of such cooperative housing corporation.

§ 2. This act shall take effect immediately.