

# STATE OF NEW YORK

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16

2023-2024 Regular Sessions

## IN SENATE

(Prefiled)

January 4, 2023

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

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:

1 Section 1. The real property law is amended by adding a new section  
2 443-b to read as follows:

3 § 443-b. Sale or rent of property violating illegal conversion rules.  
4 No real estate broker, agent or salesperson shall list for sale, sell or  
5 offer to sell, or list for rent, rent or offer to rent any illegally  
6 converted dwelling. For the purposes of this section, an illegal conver-  
7 sion shall mean any change in the structural parts or existing facili-  
8 ties of any building, including, but not limited to, the subdivision of  
9 rooms, or erection or demolition of walls, or the moving of any building  
10 from one location or position to another, in violation of any state or  
11 local law, ordinance, code or rule or regulation relating to real prop-  
12 erty, buildings or multiple dwellings.

13 § 2. Paragraph (a) of subdivision 1 of section 441-c of the real prop-  
14 erty law, as amended by chapter 529 of the laws of 2022, is amended to  
15 read as follows:

16 (a) The department of state may revoke the license of a real estate  
17 broker or salesperson or suspend the same, for such period as the  
18 department may deem proper, or in lieu thereof may impose a fine not  
19 exceeding two thousand dollars payable to the department of state,  
20 provided that fifty percent of all moneys received by the department of  
21 state for such fines shall be payable to the anti-discrimination in  
22 housing fund established pursuant to section eighty-a of the state  
23 finance law, or a reprimand upon conviction of the licensee of a  
24 violation of any provision of this article, or for a violation of subdi-

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

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1 vision four of section four hundred forty-two-h of this article, or for  
2 a material misstatement in the application for such license, or if such  
3 licensee has been guilty of fraud or fraudulent practices, or for  
4 dishonest or misleading advertising, or has demonstrated untrustworthi-  
5 ness or incompetency to act as a real estate broker or salesperson, or  
6 for a violation of article fifteen of the executive law committed in  
7 their capacity as a real estate broker or salesperson, as the case may  
8 be. Upon a finding that a broker, agent or salesperson has violated the  
9 provisions of section four hundred forty-three-b of this article, the  
10 department shall impose a fine of ten thousand dollars for a first  
11 violation and a fine of fifteen thousand dollars for a second violation.  
12 Upon a third violation of such section the department shall revoke the  
13 license issued under this article. In the case of a real estate broker  
14 engaged in the business of a tenant relocater, untrustworthiness or  
15 incompetency shall include engaging in any course of conduct including,  
16 but not limited to, the interruption or discontinuance of essential  
17 building service, that interferes with or disturbs the peace, comfort,  
18 repose and quiet enjoyment of a tenant.  
19 § 3. This act shall take effect immediately.