STATE OF NEW YORK

4002

2025-2026 Regular Sessions

IN ASSEMBLY

January 30, 2025

Introduced by M. of A. ROSENTHAL -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the executive law, in relation to prohibiting the use of discriminatory advertisement practices in housing

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

Section 1. Subdivision 2-a of section 296 of the executive law is amended by adding a new paragraph (c-2) to read as follows:

(c-2) (1) To utilize any of the following techniques in targeting digital advertisements intended to promote, market, or offer housing opportunities, including rentals, sales, or related services: targeting of advertisement audiences based on age, race, gender, or zip code, targeting by location with less than a fifteen-mile radius, targeting advertisements using categories referencing causes, organizations, or public figures that relate to health, race or ethnicity, political affiliation, religion, or sexual orientation, and using tools that allow an advertiser to generate an advertisement audience that resembles the composition of a seed audience of users provided by the advertiser. It shall be further prohibited to use any digital advertisement targeting technique that has the purpose or effect of discriminating against any person or group based on any protected characteristic listed under paragraph (a) of this subdivision. In order to ensure that such list of prohibited targeting techniques remains current, the division shall have the authority to issue regulations prohibiting the use of additional targeting techniques. The division shall conduct a review of targeting techniques no less than once every two years that shall assess technological developments in digital advertising targeting techniques, evaluate the potential discriminatory impacts of new technological developments and new potentially discriminatory uses of existing targeting techniques, and promulgate regulations to prevent the use of discriminatory and potentially discriminatory targeting techniques. Complaints

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

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alleging discriminatory practices by digital advertising platforms, including but not limited to, unlawful targeting techniques or the use of targeting techniques with discriminatory effect, shall be investigated and adjudicated pursuant to section two hundred ninety-seven of this article.

(2) For the purposes of this subdivision, the following terms shall have the following meanings:

(i) "Digital advertisement" means any communication delivered by electronic means that is intended to be used for the purposes of marketing, solicitation, or dissemination of information related, directly or indirectly, to goods or services provided by the digital advertiser or a third party.

(ii) "Seed audience" means a group of users provided by the advertiser that serves as the basis for creating a broader audience of users with similar attributes, characteristics and behaviors to the seed audience.

(iii) "Targeting" means using data about users to select and display digital advertisements or other forms of commercial content. It includes, but is not limited to, contextual advertising based on the content of the webpages and keywords used in searches, segmented advertising based on known characteristics of individuals, and behavioral advertising based on observed behavior.

§ 2. Section 295 of the executive law is amended by adding a new subdivision 19 to read as follows:

19. To compel a digital advertising platform to give the division access to the underlying algorithms and/or techniques used by such digital advertising platform for advertisement targeting in response to a credible complaint against a digital advertising platform and/or as part of the mandatory biennial review required pursuant to paragraph (c-2) of subdivision two-a of section two hundred ninety-six of this article. The division may conduct an audit of the underlying data, source code, and/or any other similar information necessary to determine whether a violation of such provisions of this section may have occurred. At the conclusion of such audit, the division may compel such digital advertising platform to make any necessary changes to prevent the algorithm or technique from producing discriminatory results in advertisement targeting. The digital advertising platform shall have sixty days to appeal such order to the New York state supreme court. For the purposes of this subdivision, "digital advertising platform" means a public-facing internet website, web application, or digital application, including a social network, ad network, or search engine, that sells advertisements either directly to advertisers or to intermediaries.

§ 3. This act shall take effect immediately.