

STATE OF NEW YORK

3178--A

Cal. No. 538

2025-2026 Regular Sessions

IN SENATE

January 24, 2025

Introduced by Sens. SANDERS, BROUK, CLEARE, COMRIE, COONEY, JACKSON, RIVERA -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the real property law, in relation to requiring the modification of restrictive covenants prior to the sale of real property

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
2 327-a to read as follows:

3 § 327-a. Modification of restrictive covenants. 1. (a) If any coven-
4 ants, conditions and restrictions exist in a document to be recorded
5 which discriminate on the basis of race, color, religion, sex, sexual
6 orientation, familial status, marital status, disability, national
7 origin, source of income, or ancestry, any seller shall:

8 (i) have such unlawful restrictions removed from such document by
9 submitting a restrictive covenant modification document, which shall be
10 available from the county recorder, either with the deed for recording,
11 or separately;

12 (ii) provide the purchaser or title insurance applicant with a copy of
13 the appropriate restrictive covenant modification document prior to or
14 at the closing of title; and

15 (iii) record the restrictive covenant modification document, however,
16 such seller shall not be required to pay filing fees for the recording
17 of the restrictive covenant modification document.

18 (b) Within one year of the effective date of this section, the board
19 of managers of a condominium, the board of directors of a cooperative
20 apartment corporation or a homeowners association if such real property

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

LBD00409-03-5

1 is subject to the rules and regulations of such an association, shall
2 delete or amend any covenants, conditions and restrictions that exist in
3 a recorded document which discriminate on the basis of race, color,
4 religion, sex, sexual orientation, familial status, marital status,
5 disability, national origin, source of income, or ancestry. Such
6 deletions or amendments shall not be subject to the approval of property
7 owners.

8 (c) This section shall not apply to any lawful restrictions under
9 state and federal law.

10 2. The restrictive covenant modification document shall be indexed in
11 the same manner as any previously recorded document or documents to
12 which the modification document refers and shall reference the original
13 document by book and page number or instrument number and the date of
14 recording.

15 3. Subject to covenants, conditions, and restrictions recorded after
16 the original document containing unlawful restrictions, and subject to
17 covenants, conditions and restrictions recorded after the restrictive
18 covenant modification document, the restrictive covenant modification,
19 once recorded, shall be deemed the only restrictions having effect on
20 the property.

21 4. Any person holding an ownership interest in real property that such
22 person believes is subject to an unlawfully restrictive covenant in
23 violation of state or federal law prohibiting restriction based on race,
24 color, religion, sex, sexual orientation, familial status, marital
25 status, disability, national origin, source of income, or ancestry may
26 record a restrictive covenant modification document pursuant to subdivi-
27 sion one of this section. Such recording shall include a complete copy
28 of the original document containing the unlawful language with the
29 unlawful language stricken and shall be signed under penalty of law.

30 5. The county recorder shall make available to the public forms for
31 preparation of a restrictive covenant modification document.

32 6. If the holder of an ownership interest in property causes to be
33 recorded a restrictive covenant modification document pursuant to this
34 section which contains language not authorized by this section, any
35 liability which derives from such recording shall be the sole responsi-
36 bility of the holder of the ownership interest of record and the county
37 recorder shall not incur any liability for recording such document.

38 § 2. This act shall take effect on the one hundred eightieth day after
39 it shall have become a law. Effective immediately, the addition, amend-
40 ment and/or repeal of any rule or regulation necessary for the implemen-
41 tation of this act on its effective date are authorized to be made and
42 completed on or before such effective date.