

STATE OF NEW YORK

11403

IN ASSEMBLY

May 15, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Weprin) --
read once and referred to the Committee on Consumer Affairs and
Protection

AN ACT to amend the general business law and the real property law, in
relation to digital representations in real estate listings

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

1 Section 1. The general business law is amended by adding a new section
2 349-i to read as follows:

3 § 349-i. Digital representations in real estate listings. 1. For the
4 purposes of this section, the following terms shall have the following
5 meanings:

6 (a) "Digital representation" means any image, video, or interactive or
7 immersive media used to advertise or market real property, including
8 virtual tours.

9 (b) "Virtual tour" means any interactive, panoramic, or simulated
10 walkthrough that represents the layout or spatial relationships of real
11 property.

12 (c) "Material alteration" means a modification that would affect a
13 reasonable consumer's understanding of real property's condition,
14 features, or layout.

15 2. It shall constitute an unfair, deceptive or abusive act under
16 section three hundred forty-nine of this article and false advertising
17 under section three hundred fifty of this article to use or publish a
18 digital representation of real property containing material alterations
19 that materially misrepresent, or materially interfere with, a reasonable
20 consumer's understanding of:

21 (a) the condition of the property;

22 (b) the existence of physical features or improvements; or

23 (c) the layout, dimensions, or spatial relationships of the property.

24 3. (a) Any digital representation that has been materially altered
25 shall include a clear and conspicuous disclosure that such material
26 alterations are present.

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

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1 (b) Where virtual staging is used, a digital representation shall
2 disclose that furnishings or finishes were digitally added.

3 (c) No digital alteration shall add non-existent physical features or
4 remove or conceal known material defects in real property without clear
5 and conspicuous disclosure.

6 4. (a) A virtual tour shall not materially misrepresent, or materially
7 interfere with a reasonable consumer's understanding of the layout,
8 dimensions, or spatial relationships of a real property.

9 (b) A virtual tour that includes digitally generated, reconstructed,
10 or conceptual elements that do not depict real property as it actually
11 exists shall be clearly and conspicuously labeled as a conceptual or
12 AI-generated representation.

13 (c) No virtual tour shall depict spaces, features, or configurations
14 that do not exist, except where clearly and conspicuously disclosed.

15 5. The use or publication of a digital representation that is in
16 violation of subdivision two, three or four of this section by a
17 licensed real estate broker or salesperson shall constitute untrustwor-
18 thiness or incompetency under paragraph (a) of subdivision one of
19 section four hundred forty-one-c of the real property law, and the
20 department of state shall be authorized to revoke the license of such
21 real estate broker or salesperson, suspend such license, or impose a
22 fine in accordance with such section for such violation.

23 6. The attorney general shall be authorized to enforce the provisions
24 of this section as provided under this article.

25 7. The department of state may issue guidance or promulgate rules or
26 regulations to implement the provisions of this section, including stan-
27 dards for disclosures and examples of permissible and impermissible
28 practices.

29 8. (a) Nothing in this section shall be construed to prohibit visual
30 enhancements that do not materially affect a reasonable consumer's
31 understanding of a real property's condition, features, or layout.

32 (b) Nothing in this section shall be construed to prohibit the use of
33 digital representations depicting proposed remodeling, reconstruction,
34 or new construction that does not yet exist, provided that such digital
35 representations are clearly and conspicuously labeled as conceptual or
36 proposed and not depicting the real property as it currently exists, and
37 are not presented in a manner likely to mislead a reasonable consumer.

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

41 (a) The department of state may revoke the license of a real estate
42 broker or salesperson or suspend the same, for such period as the
43 department may deem proper, or in lieu thereof may impose a fine not
44 exceeding two thousand dollars payable to the department of state,
45 provided that fifty percent of all moneys received by the department of
46 state for such fines shall be payable to the anti-discrimination in
47 housing fund established pursuant to section eighty-a of the state
48 finance law, or a reprimand upon conviction of the licensee of a
49 violation of any provision of this article, or for a violation of subdi-
50 vision four of section four hundred forty-two-h of this article, or for
51 a material misstatement in the application for such license, or if such
52 licensee has been guilty of fraud or fraudulent practices, or for
53 dishonest or misleading advertising, or has demonstrated untrustworthi-
54 ness or incompetency to act as a real estate broker or salesperson
55 including as provided under subdivision five of section three hundred
56 forty-nine-i of the general business law, or for a violation of article

1 fifteen of the executive law committed in their capacity as a real
2 estate broker or salesperson, as the case may be. In the case of a real
3 estate broker engaged in the business of a tenant relocater, untrustwor-
4 thiness or incompetency shall include engaging in any course of conduct
5 including, but not limited to, the interruption or discontinuance of
6 essential building service, that interferes with or disturbs the peace,
7 comfort, repose and quiet enjoyment of a tenant.
8 § 3. This act shall take effect immediately.