

STATE OF NEW YORK

4002--A

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 -- recommitted to the Committee on Governmental Operations in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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:

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

3 (c-2) (1) To utilize any of the following techniques in targeting
4 digital advertisements intended to promote, market, or offer housing
5 opportunities, including rentals, sales, or lending-related services:
6 targeting of advertisement audiences based on age, race, gender, or zip
7 code, targeting by location with less than a fifteen-mile radius,
8 targeting advertisements using categories referencing causes, organiza-
9 tions, or public figures that relate to health, race or ethnicity, poli-
10 tical affiliation, religion, or sexual orientation, and using tools that
11 allow an advertiser to generate an advertisement audience that resembles
12 the composition of a seed audience of users provided by the advertiser.
13 It shall be further prohibited to use any digital advertisement target-
14 ing technique that has the purpose or effect of discriminating against
15 any person or group based on any protected characteristic listed under
16 paragraph (a) of this subdivision. In order to ensure that such list of
17 prohibited targeting techniques remains current, the division shall have
18 the authority to issue regulations prohibiting the use of additional
19 targeting techniques. The division shall conduct a review of targeting
20 techniques no less than once every two years that shall assess techno-
21 logical developments in digital advertising targeting techniques, evalu-
22 ate the potential discriminatory impacts of new technological develop-

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

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1 ments and new potentially discriminatory uses of existing targeting
2 techniques, and promulgate regulations to prevent the use of discrimina-
3 tory and potentially discriminatory targeting techniques. Complaints
4 alleging discriminatory practices by digital advertising platforms,
5 including but not limited to, unlawful targeting techniques or the use
6 of targeting techniques with discriminatory effect, shall be investi-
7 gated and adjudicated pursuant to section two hundred ninety-seven of
8 this article. The division shall report any preliminary findings to the
9 office of the attorney general to determine if any practices constitute
10 deceptive, unfair, or abusive practices under state consumer protection
11 laws.

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

14 (i) "Digital advertisement" means any communication delivered by elec-
15 tronic means that is intended to be used for the purposes of marketing,
16 solicitation, or dissemination of information related, directly or indi-
17 rectly, to goods or services provided by the digital advertiser or a
18 third party.

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

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

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

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

48 § 3. This act shall take effect immediately.