

STATE OF NEW YORK

7589

2025-2026 Regular Sessions

IN ASSEMBLY

April 1, 2025

Introduced by M. of A. TAPIA -- read once and referred to the Committee on Judiciary

AN ACT to amend the general obligations law, in relation to declaring any conveyances of real property to a landlord identified on the city of New York's office of the public advocate's worst landlord watchlist as void as against public policy

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

1 Section 1. Subdivisions 1 and 3 of section 5-101 of the general obligations law are amended to read as follows:

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3 1. As used in sections 5-331, 5-331.1, 5-703 and 5-1115, the term
4 "conveyance" includes every instrument, in writing, except a will, by
5 which any estate or interest in real property is created, transferred,
6 assigned or surrendered.

7 3. As used in sections 5-321, 5-323, 5-331, 5-331.1, 5-703 and 5-1115,
8 the term "real property" is co-extensive in meaning with lands, tenements and hereditaments.

9
10 § 2. The general obligations law is amended by adding a new section
11 5-331.1 to read as follows:

12 § 5-331.1. Certain conveyances of real property void as against public
13 policy. 1. For the purposes of this section, the following terms shall
14 have the following meanings:

15 (a) "Affiliated entity" means any entity in which an individual or
16 other entity has a controlling interest or that is otherwise controlled
17 by, or acting at the direction of, such other entity.

18 (b) "Covered property" means any residential or mixed-use real property or portion thereof in the state of New York.

19 (c) "Worst landlord watchlist" means the list the city of New York's
20 office of the public advocate's most recently published worst landlord
21 watchlist.
22

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

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1 2. Any conveyance of a covered property made to an individual, entity,
2 or beneficial owner identified on the worst landlord watchlist shall be
3 void as against public policy. Such restriction shall apply to convey-
4 ances made directly or indirectly, including but not limited to, through
5 affiliated entities, trusts, or limited liability companies where such
6 individual, entity, or beneficial owner holds twenty-five percent or
7 more beneficial ownership.

8 3. Any conveyance made in violation of subdivision two of this section
9 shall be deemed void by the attorney general, a municipality, or any
10 interested party. Any party that knowingly conveys a covered property in
11 violation of subdivision two of this section shall be subject to a civil
12 penalty of up to fifty thousand dollars per such conveyance. The attor-
13 ney general shall be authorized to seek injunctive relief for any such
14 violation, including but not limited to, divestiture of such unlawfully
15 conveyed covered property.

16 4. (a) Upon the conveyance of any covered property, other than where
17 the purchaser of such covered property is purchasing such covered prop-
18 erty for their primary residence, the purchaser shall submit an affida-
19 vit at the time of deed recording affirming that neither the purchaser
20 nor any beneficial owner is identified on the worst landlord watchlist.

21 (b) The county clerk shall not record any deed for a covered property
22 for which an affidavit is required to be submitted under paragraph (a)
23 of this subdivision prior to receipt of such affidavit.

24 5. The city of New York's office of the public advocate shall submit
25 the most recent version of the worst landlord watchlist to the attorney
26 general, the department of state, and all county clerks within the city
27 of New York within thirty days of publication of such most recent
28 version.

29 6. Any municipality in the state shall be authorized to establish and
30 maintain a registry of landlords operating within the jurisdiction of
31 such municipality that is comparable to the worst landlord watchlist,
32 and may adopt enforcement procedures consistent with this section.

33 7. If any clause, sentence, paragraph, or subdivision of this section
34 shall be adjudged by any court of competent jurisdiction to be invalid,
35 such judgment shall not affect, impair, or invalidate the remainder
36 thereof, but shall be confined in its operation to the clause, sentence,
37 paragraph, or subdivision thereof directly involved in the controversy
38 in which such judgment shall have been rendered. It is hereby declared
39 to be the intent of the legislature that this section would have been
40 enacted even if such invalid provisions had not been included herein.

41 § 3. This act shall take effect July 1, 2026. Effective immediately,
42 the addition, amendment and/or repeal of any rule or regulation neces-
43 sary for the implementation of this act on its effective date are
44 authorized to be made, including by emergency, and completed on or
45 before such effective date.