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LOBBY DAY 2022 – Bill Sponsors, Overview and Talking Points

This packet outlines the key issues and "Talking Points" to cover in your meetings with your state legislators. There is an overview of each bill along with reasons why NYSAR supports or opposes that particular bill or issue. REALTORS® should speak about these key issues in addition to any local matters you want to raise with your legislators.

NYSAR Supports:

- 1. Technical Amendments to State's Telemarketing Business Restrictions S.7656 (Senator Kevin Thomas) | A.8662 (Assemblymember Michael Cusick) Status: Senate Consumer Protection Committee | Assembly Consumer Affairs and Protection Committee
- 2. Transparency and Fairness in Cooperative Housing S.2846 (Senator Brian Kavanagh) | A.5856 (Assemblymember Charles Lavine) Status: Senate Judiciary Committee | Assembly Housing Committee

NYSAR Opposes:

- 3. "Good Cause Eviction"
 S.3082 (Senator Julia Salazar) | A.5573 (Assemblymember Pam Hunter)
 Status: Senate Judiciary Committee | Assembly Housing Committee
- 4. "All-Electric Building Act" S.6843-B (Senator Brian Kavanagh) | A.8431-A (Assemblymember Emily Gallagher)

Status: Senate Finance Committee | Assembly Governmental Operations Committee

i. Concerns regarding New York State's Climate Action Council Proposals to Expedite Transition from Fossil Fuels

Status: NYS Climate Action Council released a Draft Scoping Plan in December 2021 and is currently holding public hearings.



NYSAR <u>SUPPORTS</u> ENACTMENT OF THE FOLLOWING:

<u>Technical Amendment to State's Telemarketing Business Restrictions During a</u> State of Emergency

S.7656 (Senator Hoylman) | A.8662 (Assemblymember Cusick)

Status: Senate Consumer Protection Committee | Assembly Consumer Affairs and Protection Committee

Bill Sponsors:

Senate: Thomas, Skoufis

Assembly: Cusick, Sillitti, McDonald

Overview and reasons for support:

This bill is a technical fix to address the unintended consequences of a 2019 law (Chapter 680 of 2019).

NYSAR strongly supports this legislation, which would make technical amendments to current laws to allow for telemarketing activities during declared states of emergency, unless a declaration includes a finding that telemarketing calls would impair actions taken to limit, control or mitigate such state of emergency. This bill preserves the original intent of the law and still provides the Governor with the discretion to temporarily suspend telemarketing.

The pandemic has presented many challenges for New Yorkers seeking to buy or sell real estate. Among those is the restriction on real estate licensees' abilities to communicate with potential clients during any state of emergency. Telemarketing is used to generate business opportunities and help consumers search for and access housing. Suspending telemarketing activities during states of emergency hurts these consumers, as well as the real estate professionals who serve them. It is especially important given the State's ongoing housing shortage.

The purpose of the original 2019 law was to ensure that telecommunication lines remain open for New Yorkers in times of crisis and natural disasters. Unbeknownst to New Yorkers at the time was the fact that in less than a year, a global pandemic would prompt multi-year state of emergency declarations, which are still in effect. Although that State of Emergency ended in June 2021, subsequent states of emergency related to public health and gun violence have been declared. These states of emergency also resulted in bans on telemarketing, despite having no connection to the State's telecommunications system. New Yorkers need to be able to fully get back to business, and this ban continues to prevent that.

What to ask from the lawmaker at your meeting:

Please ask them to become a sponsor of the bill and to encourage their colleagues in the Senate and Assembly Consumer Protection Committees to support the bill in committee.

NYSAR <u>SUPPORTS</u> ENACTMENT OF THE FOLLOWING:

Transparency and Fairness in Cooperative Housing

S.2846 (Senator Kavanagh) | **A.5856 (Assemblymember Lavine)** *Status: Senate Judiciary Committee* | *Assembly Housing Committee*

Bill Sponsors:

Senate: Kavanagh, Comrie, Harckham, Hinchey, Mayer, Sepulveda, Skoufis

Assembly: Lavine, Cusick, Hunter, Pichardo, Steck, Jean-Pierre, Jacobson, DeStefano, DiPietro, Jones,

Brabenec, Lalor, Stern, Fitzpatrick

Overview and reasons for support:

NYSAR strongly supports legislation that would bring greater transparency and fairness to the application and home buying process when considering the purchase of cooperative housing shares in New York. This bill would provide reasonable timelines for cooperative boards to consider and act on a prospective purchaser's application when trying to buy a cooperative apartment.

Currently, cooperative boards are not required to acknowledge the receipt of an application from a prospective purchaser, whether it be a rejection or acceptance. This secretive nature of the cooperative boards' application and review process can have an injurious effect on home buyers, while allowing these boards the ability to unfairly deny housing opportunities.

New application timeline would provide fairness

This bill would significantly improve the transparency of the cooperative purchase process to the benefit of all parties by adding uniformity and predictability to the application procedure.

- It would establish a clear timeline of 10 days for receipt of the application to be acknowledged by the cooperative board, otherwise resulting in an application being deemed complete, and no longer than 45 days from the date of application for a decision to be made.
- A cooperative board or corporation is entitled to one 14-day extension.

A failure on behalf of the cooperative board to notify the prospective buyer of their decision, be it approval or rejection within the 45-day timeline plus any additional extension, shall be deemed an automatic approval of the application.

These benchmarks will prevent any appearance of impropriety while promoting fairness in housing. Additionally, similar legislation has been enacted at the local level in Suffolk, Nassau, Rockland, Dutchess and Westchester counties.

What to ask from the lawmaker at your meeting:

If they are a sponsor of the bill, please thank them for their support and ask them to encourage their conference to bring the bill to the floor this year for a vote.

If they are not a sponsor, please ask them to consider becoming a sponsor of the bill.



NYSAR OPPOSES ENACTMENT OF THE FOLLOWING:

"Good Cause Eviction"

S.3082 (Senator Salazar) | A.5573 (Assemblymember Hunter)

Status: Senate Judiciary Committee | Assembly Housing Committee

Bill Sponsors:

Senate: Salazar, Brisport, Stavisky, Bailey, Biaggi, Breslin, Brouk, Cleare, Gianaris, Harckham, Hoylman, Jackson, Kavanagh, Krueger, Liu, May, Mayer, Myrie, Ramos, Rivera, Sepulveda, Serrano Assembly: Hunter, Rosenthal, Reyes, Barnwell, Fernandez, Niou, Pretlow, Epstein, Davila, Cruz, Taylor, Gottfried, Glick, Frontus, Carroll, Bichotte Hermelyn, Dinowitz, Barron, Perry, Bronson, Hevesi, Seawright, Kim, Rivera, Joyner, Fall, Rozic, Darling, Walker, Ramos, Quart, Jacobson, Steck, Colton, O'Donnell, Cook, Aubry, Mitaynes, Forrest, Mamdani, Gonzalez-Rojas, Meeks, Clark, Kelles, Gallagher, Simon, Anderson, Jackson, Cahill, Septimo, Burgos, Solages, Gunther, De Los Santos, Gibbs, Tapia, Cunningham, Nolan

Overview and reasons for opposition:

NYSAR recognizes the serious nature of evicting a person from their home, but we strongly oppose legislation that would establish a statewide good cause eviction standard, due to its impractical and overly restrictive provisions. The bill applies to all residential buildings except owner-occupied buildings with three units or less. It would limit rent increases, establishing a rebuttable presumption against evictions for nonpayment where the annual rent increase is more than 3 percent or 1.5 times the CPI. It would also prevent a property owner from recovering their property even after a tenant's lease has expired.

Imposing a good cause eviction standard would cause considerable harm to small property owners. Small rental property owners throughout the state have suffered tremendously throughout the COVID-19 pandemic. The loss of rental income has hurt these property owners, who prior to the pandemic struggled with rising property taxes, utilities, maintenance, insurance, and other costs. Although the state's \$3 billion emergency rental assistance program and additional funding in the 2022-23 enacted state budget has helped many tenants and housing providers, it has fallen short of actual need. Small property owners need economic and regulatory relief, not a new and burdensome regulation that will do nothing to address New York's housing crisis as this bill will not help create a single unit of housing in New York.

Additionally, New York State has the strongest rent protections in the country and ample protections against eviction. The Housing Stability & Tenant Protection Act (HSTPA) passed in June 2019 provided tenants throughout New York State with several new and expanded eviction protections. Even prior to the passage of the HSTPA, evictions were already declining. For example, pre-pandemic data from the New York City Mayor's Office showed that evictions were down more than 15 percent in 2019 and more than 40 percent since 2013. The HSTPA accelerated this decline in evictions, as an analysis published in November 2019 by the Wall Street Journal revealed that eviction cases for nonpayment of rent in New York City decreased more than 46 percent after the passage of the HSTPA.





This bill would create perpetual leases by protecting tenants from eviction even after lease expiration. This weakening of property rights would further burden property owners in New York State, thereby discouraging investment in multifamily housing, at a time when it is sorely needed. Rather than providing relief to small property owners and providing incentives for housing investment, this good cause eviction proposal would put many small housing providers out of business.

What to ask from the lawmaker at your meeting:

If they are a sponsor, please urge them to reconsider their support by citing the information in your packet and any personal experience.

If they are not a sponsor, but cannot commit to opposing the bill, please urge them to continue to listen to both sides of the issue and reach out to NYSAR government affairs if they have any questions.

If they are not a sponsor and are opposed to the bill, please thank them.



NYSAR OPPOSES ENACTMENT OF THE FOLLOWING:

"All-Electric Building Act"

S.6843-B (Senator Kavanagh) | A.8431-A (Assemblymember Gallagher)

Status: Senate Finance Committee | Assembly Governmental Operations Committee

Bill Sponsors:

Senate: Kavanagh, Biaggi, Brisport, Brouk, Cleare, Gianaris, Harckham, Hinchey, Hoylman, Jackson, Krueger, May, Myrie, Ramos, Rivera, Salazar, Sepulveda

Assembly: Gallagher, Simon, Carroll, Epstein, Dinowitz, Rosenthal, Seawright, Mamdani, Gottfried, Glick, Steck, Gonzalez-Rojas, Reyes, Jackson, Kim, Mitaynes, Niou, Colton, Burdick, Forrest, Kelles, Galef, Burgos, Cruz, Ramos, Bichotte Hermelyn, Fahy, Anderson, Frontus, Stirpe, Burke, Quart, Englebright, Paulin, Meeks, Dilan, Abinanti, Gibbs, Dickens

Additional Climate Action Council concerns

In addition to this specific bill, NYSAR has general concerns regarding New York State's Climate Action Council proposals and recommendations to reduce statewide carbon emissions and phase out the use of natural gas and other fossil fuels in new construction by 2024 and existing homes beginning in 2030. The "All-Electric Building Act" was one proposal recommended in the Climate Action Council's initial draft scoping plan.

Additional recommendations from the Climate Action Council that NYSAR has concerns with include:

- No new natural gas service to existing buildings
- Prohibit propane, natural gas and oil equipment in new homes in 2024
- Prohibit traditional heating systems in existing homes beginning in 2030
- Ban use of natural gas appliances (dryers, stoves, etc.) in homes beginning in 2035
- No gasoline vehicles sold in New York in 2035

Overview and reasons for opposition:

NYSAR supports the need to reduce overall greenhouse gas emissions and the commitment New York has made to transition away from fossil fuels. However, we are concerned with the expeditious implementation of various proposals outlined in the NYS Climate Action Council's draft scoping plan (released December 2021), as well as recent legislative action to introduce the "All-Electric Building Act" bill, which would prohibit by January 1, 2024, any new residential, commercial, or mixed-use construction in New York State unless the building is constructed to be "all electric," with limited exceptions. REALTORS® are particularly concerned with housing affordability and the potential for statewide climate policies that negatively impact current and aspiring property owners.

The Climate Action Council's draft scoping plan should be finalized before any of its legislative or regulatory proposals are considered.

New York State Association of REALTORS®, Inc.



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New York State's Climate Action Council has held several public hearings and public comment is being accepted on its draft scoping plan through at least June 10, 2022. Pursuant to the Climate Leadership & Community Protection Act (CLCPA) of 2019, the Council's final scoping plan is due by the end of 2022. Despite the CLCPA's deadlines, at least one major proposal from the Council's draft scoping plan is advancing in the State Senate prior to the completion of the scoping plan. This proposal – the "All-Electric Building Act" – should not be approved, as the public is still weighing in on this and various other climate-related proposals from the draft scoping plan. Additionally, NYSAR believes that prohibiting the use of oil and gas in newly constructed buildings beginning in 2024 is an unrealistic plan that will have negative and unintended consequences including a slowdown in new residential construction which would further exacerbate the state's housing crisis.

More generally, although the Climate Action Council has put forward an "integration analysis," it has not produced a comprehensive consumer cost analysis of its recommendations. NYSAR believes that any effort to transform the way energy is generated and delivered to residential and commercial real estate consumers should thoroughly examine the fiscal impact on these consumers, prior to the consideration or enactment of any major climate-related legislation or regulation.

What to ask from the lawmaker at your meeting:

If they are a sponsor, please urge them to reconsider their support by citing the information in your packet and any personal experience.

If they are not a sponsor, but cannot commit to opposing the bill, please urge them to continue to listen to both sides of the issue and reach out to NYSAR government affairs if they have any questions.

If they are not a sponsor and are opposed to the bill, please thank them.