

LOBBY DAY 2023 – 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.

1. **“Good Cause Eviction” – NYSAR OPPOSES**
S.305 (Senator Julia Salazar) | **A.4454** (Assemblymember Pam Hunter)
Status: Senate Judiciary Committee | Assembly Housing Committee
2. **First-Time Homebuyer Savings Account/Housing Supply & Affordability – NYSAR SUPPORTS**
(Introduction pending by Senator Jeremy Cooney) | (Introduction pending by Assemblymember Phil Ramos)
3. **Increase Experience Required for Broker’s License – NYSAR SUPPORTS**
S.5197 (Senator James Skoufis) | **A.3474** (Assemblymember Patricia Fahy)
Status: Senate Judiciary Committee | Assembly Judiciary Committee
4. **Transparency and Fairness in Cooperative Housing – NYSAR SUPPORTS**
 - i. **A.1778** (Assemblymember Charles Lavine)
Status: Assembly Housing Committee
 - ii. **S.2964-A** (Senator Brian Kavanaugh)
Status: Senate Judiciary Committee
 - iii. **S.5789** (Senator James Sanders) | **A.2685** (Assemblymember Latrice Walker)
Status: Senate Codes Committee | Assembly Governmental Operations Committee
5. **Prohibition on Broker’s Fees from Tenants – NYSAR OPPOSES**
S.2783 (Senator Jabari Brisport) | **A.4781** (Assemblymember Zohran Mamdani)
Status: Senate Judiciary Committee | Assembly First Report Calendar
6. **Technical Amendment to State’s Telemarketing Restrictions – NYSAR SUPPORTS**
S.412 (Senator Kevin Thomas) | (Introduction pending by Assemblymember Amy Paulin)
Status: Senate Consumer Protection Committee

NYSAR OPPOSES ENACTMENT OF THE FOLLOWING:**“Good Cause Eviction”****S.305 (Senator Salazar) | A.4454 (Assemblymember Hunter)***Status: Senate Judiciary Committee | Assembly Housing Committee***Bill Sponsors:**

Senate: Salazar, Brisport, Stavisky, Bailey, Breslin, Brouk, Cleare, Gianaris, Gonzalez, Gounardes, Harckham, Hoylman-Sigal, Jackson, Kavanagh, Krueger, Liu, May, Mayer, Myrie, Ramos, Rivera, Sepulveda, Serrano, Webb

Assembly: Hunter, Rosenthal, Reyes, Pretlow, Epstein, Davila, Cruz, Taylor, Glick, Carroll, Bichotte Hermelyn, Dinowitz, Bronson, Hevesi, Seawright, Kim, Joyner, Rozic, Darling, Walker, Ramos, Jacobson, Steck, Colton, Cook, Aubry, Mitaynes, Forrest, Mamdani, Gonzalez-Rojas, Meeks, Clark, Kelles, Gallagher, Simon, Anderson, Jackson, Septimo, Burgos, De Los Santos, Gibbs, Tapia, Cunningham, Lucas, Shrestha, Lee, Raga, Ardila, Alvarez, Simone, Burdick, Chandler-Waterman, Shimsky, Solages, Levenberg

Overview and reasons for opposition:

NYSAR recognizes the serious nature of evicting a person from their home, but we strongly oppose legislation that would socialize most multi-family residential housing in New York by establishing 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 and would effectively limit a property owner’s operating income by establishing a rebuttable presumption against evictions for nonpayment where the annual rent increase is more than 3 percent or 1.5 times the CPI. Any rent increase more than the aforementioned amount would cause a property owner to incur legal expenses to justify the increase in order to proceed with an otherwise legal eviction. The bill would also prevent a property owner from recovering their property even after a tenant’s lease has expired except for narrow exemptions.

Imposing a good cause eviction standard would cause considerable harm to small property owners.

Small rental property owners in New York continue to struggle in the aftermath of the COVID-19 pandemic. The loss of rental income has hurt these property owners, who struggle with rising property taxes, utilities, maintenance, insurance, and other costs. A March 2023 report by the New York City Rent Guidelines Board highlighted a decline in operating income of 9.1% in 2021 – the first full year after many of the 2019 Housing Stability and Tenant Protection Act’s (HSTPA) provisions took effect. 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. Good cause eviction would be harmful to small housing providers – as it’s harder for them to cover expenses with fewer units – and lead to a shift to larger/corporate landlords. If passed, it will also further exacerbate a growing shift by rental owners to the short-term rental platforms like VRBO and Airbnb to avoid the income restrictions and perpetual lease provisions in this proposal.

The premise that tenants are unprotected from eviction today is simply false. New York State has the strongest rent protections in the country and ample protections against eviction. The 2019 HSTPA 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.

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 and cause considerable harm to renters in need of decent, affordable housing.

NYSAR would encourage lawmakers seeking to provide further eviction protections to support programs such as the Housing Access Voucher Program and Right to Counsel legislation. These initiatives would provide immediate and effective assistance to tenants at risk of eviction without harming New York's housing providers and housing stock.

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 SUPPORTS ENACTMENT OF THE FOLLOWING:**First-Time Homebuyer Savings Account Program**

(Introduction pending by Senator Cooney) | (Introduction pending by Assemblymember Ramos)

Bill Sponsors:

Senate: Cooney (pending)

Assembly: Ramos (pending)

Overview and reasons for support:**Addressing NY's Long-term Housing Supply and Affordability Crisis**

NYSAR remains committed to working with the State Legislature to identify and enact meaningful solutions to the State's housing crisis. NYSAR has reported more than 40 consecutive months of data – since November 2019 – on the State's decline in housing inventory. The lack of supply is a major driver of the State's housing affordability crisis for both single family homes and the rental market. NYSAR supports various efforts to create more housing units, including incentives for commercial to residential conversions and local efforts (without state mandates) to permit accessory dwelling units and legalize safe basement apartments.

For several years NYSAR has supported a proposal that would create a state tax deductible savings account program for New York first-time home buyers, operating like the state's existing 529 College Savings program. This program is designed to better assist New Yorkers in saving for closing costs and a down-payment for a first home. Under the proposal, up to \$10,000 for couples and \$5,000 for individuals would be deductible from state income taxes per year, with a maximum contribution level of \$100,000 over the life of the account. Funds must be applied to the purchase of a primary residence first home, townhome, condominium or unit in a cooperative housing corporation in New York state. The savings account would remain under the sole custody of the New York State Comptroller.

Incentivizing home purchases will result in additional tax revenues from multiple sources including sales taxes, property taxes, real estate transfer taxes, mortgage recording taxes and income taxes. An independent economic analysis of this legislation found that for every \$1 invested by New York state in this program, state and local governments would recoup over \$5 in revenue. A past Siena Research Institute poll also showed that 84 percent of New Yorkers support the creation of first-time home buyer savings account.

Similar legislation passed both houses of the legislature in 2017 (A.5616 Ramos/S.4058 Little) with strong bi-partisan support. This year's version of the bill makes small technical changes to address an income cap and minimum holding period of funds in the account. Taxpayers with adjusted gross incomes that exceed 250% of the area median income would not be eligible for the state tax deduction. To avoid abuse of the deduction provisions of the bill, the account must be open for at least a year before a withdrawal can be made.



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New Yorkers pay among the highest closing costs in the nation. Many of these closing costs are fixed, which affects low- and moderate-income home buyers the most. Larger down payments allow borrowers to avoid higher interest rates and fees including private mortgage insurance (PMI). If enacted, this program would set the foundation to help future generations of New Yorkers overcome financial barriers to becoming homeowners.

What to ask from the lawmaker at your meeting:

Please ask them to consider becoming a sponsor of the bill and to encourage their conference to bring the bill to the floor for a vote this year.

John Vernazza
President

Joe Rivellino
President-Elect

Jacqlene Rose
Treasurer

Duncan R. MacKenzie
Chief Executive Officer

NYSAR SUPPORTS ENACTMENT OF THE FOLLOWING:**Increase Experience Required for Broker's License****S.5197 (Senator Skoufis) | A.3474 (Assemblymember Fahy)***Status: Senate Judiciary Committee | Assembly Judiciary Committee***Bill Sponsors:***Senate: Skoufis, Hinchey**Assembly: Fahy***Overview and reasons for support:**

NYSAR strongly supports this legislation, which would increase the experience requirements to obtain a broker's license in New York State from two to five years, as New York's current requirements are lower than that of comparable states such as California, New Jersey, and Pennsylvania. In 2021, new laws were enacted that increased the number of hours in the broker's qualifying course from 45 to 75. However, a real estate agent can still obtain a broker's license after just two years of practicing as a licensed salesperson.

Real estate brokers have considerable responsibilities, and the practice of real estate has become increasingly complex, particularly in New York State. Additional laws and regulations pertaining to fair housing, increased activity from unlicensed real estate professionals, and ongoing constraints on housing supply all contribute to more complexity in the real estate profession. Increasing the years of experience required to obtain a broker's license from two to five would help ensure that newly licensed brokers have additional experience as an agent prior to taking on the duty of overseeing agents and operating a real estate business.

Raising the bar to become a licensed real estate broker would also better align the experience requirements for broker-owners with that of office managers. Due to a law passed in 2021, office managers are now required to have more experience than broker-owners. This bill would ensure that the experience requirements to become a newly licensed broker-owner exceed that of the office managers who report to them.

What to ask from the lawmaker at your meeting:

Please ask them to consider becoming a sponsor of the bill and to encourage their conference to bring the bill to the floor for a vote this year.

NYSAR SUPPORTS ENACTMENT OF THE FOLLOWING:**Transparency and Fairness in Cooperative Housing****A.1778 (Assemblymember Lavine)***Status: Assembly Housing Committee***S.2964-A (Senator Kavanagh)***Status: Senate Judiciary Committee***S.5789 (Senator Sanders) | A.2685 (Assemblymember Walker)***Status: Senate Codes Committee | Assembly Governmental Operations***Bill Sponsors:****A.1778 (Assemblymember Lavine)***Assembly:* Lavine, Hunter, Steck, Stirpe, Jean-Pierre, Jacobson, Jones, DeStefano, DiPietro, Brabenec, Burdick, Stern, Fitzpatrick**S.2964-A (Senator Kavanagh)***Senate:* Kavanagh, Addabbo, Comrie, Harckham, Hinchey, Mayer, Palumbo, Sanders, Sepulveda, Skoufis**S.5789 (Senator Sanders) | A.2685 (Assemblymember Walker)***Senate:* Sanders, Thomas*Assembly:* Walker**Overview and reasons for support:**

There are 3 separate bills so far introduced in the State Legislature to address fairness and transparency in the coop application process – each bill containing different proposals.

Both bills **A.1778** and **S.2964-A** sponsored by Assemblymember Lavine and Senator Kavanagh, respectively, provide reasonable timelines for cooperative boards to consider and act on a prospective purchaser's application when trying to buy a cooperative apartment. The difference between the two bills is that **S.2964-A** includes a provision requiring coop boards to state a reason when denying consent to a sale, whereas **A.1778** does not include such requirement upon the coop board.

Bill number **S.5789/A.2685** sponsored by Senator Sanders and Assemblymember Walker would simply require a coop board to provide the prospective purchaser with a written statement of its reasons for denying consent to the sale.

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. NYSAR supports all 3 bills, however, we believe the timelines included in **A.1778** and **S.2964-A** are critical to the coop purchase process.

Currently, coop 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 and sellers, while allowing these boards the ability to unfairly deny housing opportunities.

New application timeline would provide fairness

Both bills **A.1778** and **S.2964-A** 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.

NYSAR OPPOSES ENACTMENT OF THE FOLLOWING:**Prohibition on Broker's Fees from Tenants****S.2783 (Senator Brisport) | A.4781 (Assemblymember Mamdani)***Status: Senate Judiciary Committee | Assembly First Report Calendar***Bill Sponsors:*****Senate:*** Brisport, Salazar***Assembly:*** Mamdani, Burgos, Cruz, Davila, Epstein, Forrest, Gallagher, Gonzalez-Rojas, Mitaynes, L. Rosenthal, Jackson, Simone, Reyes, Shrestha**Overview and reasons for opposition:**

NYSAR strongly opposes this legislation, which would do considerable harm to REALTORS® and renters in New York by banning the common business practice of landlords and housing providers to collect broker fees from the tenant. This legislation unjustly targets REALTORS®, establishes a dangerous precedent regarding private real estate transactions and hurts prospective tenants without making rental housing more affordable in New York.

Multi-family housing providers often rely on the expertise of REALTORS® to list, show and represent the property owner in the rental of their units. REALTORS® are required by law to complete mandatory fair housing and other continuing education courses in order to maintain their license with the Department of State. Eliminating the opportunity for the real estate broker to collect compensation for these services, per this bill, will result in a shift of how broker compensation is collected resulting in higher rents, or worse, untrained housing providers unfamiliar with Fair Housing Laws practicing without real estate broker.

Limiting the fees that licensees can collect punishes hard-working REALTORS® who diligently serve their clients and depend on these fees which can be their only source of income. This legislation is misguided in that it unfairly targets REALTORS® without addressing any of the underlying problems driving housing unaffordability. Targeting the fees collected by real estate licensees will do little to curb the cost of housing for prospective tenants and will instead reduce the incomes of many real estate professionals working in New York, the vast majority of whom are middle-income or less.

Furthermore, imposing a limitation on the fees collected by real estate professionals for rental transactions devalues the services provided and will drive qualified real estate professionals away from the rental market. This will harm prospective tenants by reducing the number and quality of professionals available to assist them in their search. Renters faced with fewer choices while seeking a qualified real estate broker or agent will find the search for rental housing much more challenging.

Last, the State Legislature is already advancing legislation **S.4970(Jackson)/A.718(Dinowitz)**, which would direct the Division of Housing and Community Renewal to perform a study on certain non-rental fees charged by housing providers and landlords and to report those findings by April 2025. We would



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respectfully suggest that passage of any legislation imposing a blanket prohibition of the collection of broker fees by a housing provider prior to the issuance of this study would be premature.

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.

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NYSAR SUPPORTS ENACTMENT OF THE FOLLOWING:**Technical Amendment to State's Telemarketing Restrictions During a State of Emergency****S.412 (Senator Thomas) | (Introduction pending by Assemblymember Paulin)***Status: Senate Consumer Protection Committee***Bill Sponsors:****Senate:** Thomas, Addabbo, Palumbo, Sanders, Skoufis**Assembly:** Paulin (pending)**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 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. And although the pandemic state of emergency ended in June 2021, subsequent states of emergency related to public health, healthcare staffing shortages, and gun violence have been declared and remain in effect. These states of emergency also resulted in bans on telemarketing, despite having no connection to the State's telecommunications system. Today, there are no less than three statewide states of emergency, any one of which triggers the complete ban on telemarketing.

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 consider becoming a sponsor of the bill and to encourage their colleagues in the Senate and Assembly Consumer Protection Committees to support the bill in committee and bring the bill to the floor for a vote this year.