New York State Association of REALTORS®, Inc.

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MEMORANDUM IN OPPOSITION

S.951 by Senator Brian Kavanagh
Status: Senate Finance Committee

Date: May 2026
Contact: Michael Kelly

RE: Requiring real estate brokers and salespersons to request, compile and disclose personal demographic data on prospective home purchasers

The New York State Association of REALTORS® Inc. **strongly opposes** legislation that would require all licensed real estate brokers and salespersons to request personal demographic information, including full name, race, ethnicity, gender, and any other demographic information the Secretary of State may require from every client or prospective home purchaser. The broker would be required to retain such information for a period of two years and submit such information to the Department of State annually.

This bill raises significant privacy concerns by expanding the scope of licensure of real estate brokers and salespersons to include the collection and recording of personal client demographic data. A request for sensitive identifying information could be interpreted by prospective home purchasers as not only insensitive, but offensive, particularly in the early stages of a real estate agent and client relationship. Additionally, whereas the bill states that this information would be a voluntary disclosure on the part of the client or prospective purchaser, it still places a statutory requirement on the broker or salesperson to formally request the full name, race, ethnicity, and gender of all individuals working with the real estate broker or salesperson.

This bill would create serious logistical concerns for all licensed real estate brokers and salespersons in New York State. The bill would require brokers and salespersons to track and record all services provided for every client or prospective purchaser, including properties listed and shown, the location of such properties, and the disposition of every offer received by such broker, including whether the offer was accepted or rejected and whether a closing occurred.

Taking into consideration only real estate closings, with over 105,000 residential closings annually statewide (excluding New York City)[1], the task of recording such information, which is not currently tracked, in addition to matching it with personal demographic information would be strenuous and unrealistic. The requirements of this legislation become more impractical when factoring in the rental or home search process which could include open houses and multiple properties shown and visited, none of which may result in an offer to lease an apartment or purchase a home.

The argument that this legislation is similar to the Federal Home Mortgage Disclosure Act (HMDA) is inaccurate and over-simplistic. While the HMDA does facilitate the collection of demographic data from

[1] NYSAR 2025 Annual Housing Market Report

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the borrower, the HMDA form is only required when an application for financing has been submitted to the lender. This is a single, stand-alone interaction between a lending institution and the borrower. The finite application of the Federal HMDA regulation is dramatically different than a real estate broker or salesperson showing their client dozens of properties before that client makes a determination on what property to lease or purchase. In reality, the data collection and reporting requirements of this proposal are far more expansive and onerous than that of the Federal HMDA.

Further, the information already captured by lenders pursuant to the Federal HDMA noted above makes this bill unnecessary as the demographic data this bill aims to collect can be accessed right now without further requirements on real estate licensees and the New York Department of State.

Additional concerns include the following:

- The bill does not provide for any public notice or hearing on any regulations that may be adopted by the Secretary of State as a result of this bill;
- There is a lack of clarity as to how, and in what form (verbal, written, digital, etc.) the real estate broker or salesperson would be required to collect and maintain the personal information of their clients or prospective purchasers;
- There is a lack of clarity as to how this bill would apply to attendees at open houses where there is not a client relationship;
- This bill would result in prospective renters and home purchasers to be repeatedly asked to disclose their demographic information every time they view an apartment or home when they meet with a different real estate broker or salesperson;
- The term "prospective home purchaser" is overly vague and lacking clarity;
- The requirement for the broker to retain all demographic information for a period of two years is unnecessary since any records would be reported annually to the Department of State.

For the above stated reasons, the New York State Association of REALTORS® **strongly opposes S.951 (Kavanagh)**.

The New York State Association of REALTORS® is a not-for-profit trade organization representing more than 58,000 of New York State's real estate professionals. The term REALTOR® is a registered trademark, which identifies real estate professionals who subscribe to a strict code of ethics as members of the National Association of REALTORS®. These REALTORS® are also members of the New York State Association of REALTORS® as well as their local board or association of REALTORS®.

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