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LOBBY DAY 2024 – 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. First-Time Homebuyer Savings Account/Housing Supply & Affordability – NYSAR SUPPORTS

(S.6574 (Senator Jeremy Cooney) | (A.6933 (Assemblymember Phil Ramos) Status: Senate Finance Committee | Assembly Housing Committee

- 2. "Good Cause Eviction" NYSAR OPPOSES
 S.305 (Senator Julia Salazar) | A.4454 (Assemblymember Pam Hunter)
 Status: Senate Judiciary Committee | Assembly Housing Committee
- 3. Technical Amendment to State's Telemarketing Restrictions NYSAR SUPPORTS S.412 (Senator Kevin Thomas) | (A.6680 (Assemblymember Amy Paulin) Status: Senate Consumer Protection Committee | Passed Assembly (3/21/24)
- 4. Transparency and Fairness in Cooperative Housing NYSAR SUPPORTS
 S.2964-A (Senator Brian Kavanagh) | A.1778-A (Assemblymember Charles Lavine)
 Status: Senate Judiciary Committee | Assembly Housing Committee
- Prohibition on Broker's Fees from Tenants NYSAR OPPOSES
 S.2783 (Senator Jabari Brisport) | A.4781 (Assemblymember Zohran Mamdani)
 Status: Senate Judiciary Committee | Assembly Floor Calendar No. 134
- 6. 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
- 7. Affordable Gas Transition Act & NY HEAT Act NYSAR OPPOSES
 Part P of S.8308-A | A.8808-A (Executive Budget)
 S.2016-B (Senator Krueger) | A.4592-B (Assemblymember Fahy)
 Status: Passed Senate (3/19/24) | Assembly Corporations, Authorities & Commissions
 Committee

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

Addressing NY Housing Supply and Affordability &

First-Time Homebuyer Savings Account Program

S.6574 (Senator Cooney) | A.6933 (Assemblymember Ramos)
Status: Senate Finance Committee | Assembly Housing Committee

Bill Sponsors:

Senate: Cooney, Jackson, Walczyk

Assembly: Ramos

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.

- Home sales and housing inventory in New York State continue to decline.
- The lack of housing supply is a major driver of the state's housing affordability crisis.
- NYSAR supports various efforts to create more housing, including a first-time homebuyer savings account program, incentives for commercial to residential conversions, incentives to amend local zoning restrictions, permit accessory dwelling units and legalize safe basement apartments.

Support for a NY first-time homebuyer savings account program

NYSAR supports the creation of 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, taxpayers could take a state income tax deduction on deposits up to \$10,000 for couples and \$5,000 for individuals into a first-home savings account solely for the use of purchasing a first home in NYS.
- Taxpayers with adjusted gross incomes that exceed 250% of the area median income would not be eligible for the state tax deduction.
- Funds must be applied to the purchase of a primary residence first home, townhome, condo or coop in NYS.
- Incentivizing home purchases will result in additional state and local tax revenues from multiple sources including property taxes, real estate transfer taxes, mortgage recording taxes, sales taxes, and income taxes.
- According to a 2023 American Strategies poll, 80% of New Yorkers support the creation of first-time home buyer savings account.

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• Similar legislation passed both houses of the legislature in 2017 (A.5616 Ramos/S.4058 Little) with strong bi-partisan support.

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 its inclusion in this year's housing package.

NYSAR <u>OPPOSES</u> 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, Rozic, Walker, Ramos, Jacobson, Steck, 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, O'Donnell

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.

NYSAR strongly opposes this bill due to the fact that it essentially imposes statewide rent regulation of all rental housing, except for owner occupied buildings with fewer than 4 units.

- This bill would limit a housing provider'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 in excess of the aforementioned amount would cause a property owner to incur
 legal expenses to justify the increase.
- The bill would also prevent a property owner from recovering their property even after a tenant's lease has expired except for narrow exemptions.
- This bill does not create any new housing, and in fact inhibits development of new housing.

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 many small property owners who struggle with rising property taxes, utilities, maintenance, insurance, and other costs associated with providing housing.
- This bill would make it impossible for small landlords to recoup costs for major building upgrades.
- It will also further exacerbate a growing shift by rental owners to sell to larger/corporate owners or transition to the short-term rental market.
- Additionally, the NYU Furman Center issued a report in February 2024 highlighting the many risks associated with proposed good cause eviction legislation, including discouraging investment in existing housing and the development and maintenance of new rental units.

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- This bill would create perpetual leases by protecting tenants from eviction even after lease expiration.
- It discourages investment in multifamily housing at a time when it is sorely needed and would likely put many small housing providers out of business.

Alternative solutions:

NYSAR would encourage lawmakers seeking to provide further eviction protections to support programs such as:

- A Housing Access Voucher Program (S.568-A (Kavanagh)/A.4021-A(Rosenthal).
- Statewide Right to Counsel legislation (S.2721 (May)).

These initiatives would provide immediate and effective assistance to tenants at risk of eviction without harming New York's housing providers or encouraging disinvestment in multi-family housing.

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.

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

Technical Amendment to State's Telemarketing Restrictions During a State of Emergency

S.412 (Senator Thomas) | A.6680 (Assemblymember Paulin)

Status: Senate Consumer Protection Committee | Passed Assembly (3/21/24)

Bill Sponsors:

Senate: Thomas, Addabbo, Comrie, Gallivan, Palumbo, Rolison, Sanders, Skoufis, Weber, Weik Assembly: Paulin, Sillitti, Woerner, Lupardo, Lavine, Simpson, Walsh, Simon, McDonald, Stirpe, Beephan, Buttenschon, Otis, Miller, McDonough, Lunsford

Overview and reasons for support:

NYSAR strongly supports legislation that would make technical amendments to current law prohibiting telemarketing activities during declared states of emergency.

- This bill is a technical fix to address the unintended consequences of a 2019 law (Chapter 680 of 2019).
- This bill would 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 the state of emergency.
- This bill preserves the original intent of the law and still provides the Governor with the discretion to temporarily suspend telemarketing.
- Importantly, this bill does not conflict with existing state and federal protections provided under the "Do Not Call" program. Violators of that program would continue to face penalties.

The original intent of the 2019 law was to ensure that telecommunication lines remain open for New Yorkers in times of crisis and natural disasters.

• Since the COVID pandemic, NYS has been in a constant statewide state of emergency (currently due to gun violence and the ongoing migrant crisis), which have triggered a statewide ban on telemarketing.

Telemarketing is a legitimate business practice used in a variety of industries to generate business opportunities and serve consumers.

• In tight housing markets like we're experiencing today, real estate professionals will often use cold calling to help their buyer clients find and access housing that meets their needs. Suspending telemarketing activities hurts these consumers, as well as the real estate professionals who serve them. It is especially important for real estate licenses to have telemarketing available as a tool, especially with the state's ongoing housing shortage.

What to ask from the lawmaker at your meeting:

Please thank the Assemblymember for voting in favor of the bill.

Please ask the Senator to consider becoming a sponsor of the bill if they are not already a sponsor, encourage passage of the bill, and remind them that it passed unanimously in the Assembly.

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

Transparency and Fairness in Cooperative Housing

S.2964-A (Senator Kavanagh) | A.1778-A (Assemblymember Lavine)

Status: Senate Judiciary Committee | Assembly Housing Committee

Bill Sponsors:

S.2964-A (Senator Kavanagh) | A.1778-A (Assemblymember Lavine)

Senate: Kavanagh, Addabbo, Cleare, Comrie, Harckham, Hinchey, Mayer, Palumbo, Sanders, Sepulveda, Skoufis, Weber

Assembly: Lavine, Hunter, Steck, Stirpe, Jean-Pierre, Jacobson, Jones, DeStefano, DiPietro, Brabenec, Burdick, Stern, Santabarbara, Bendett, Glick, Fitzpatrick

Overview and reasons for support:

NYSAR strongly supports this bill which would build on the significant fair housing measures signed into law in 2021 and 2022.

- This legislation will bring greater transparency and fairness to the application and review process when considering the purchase of a coop.
- This bill would provide reasonable timelines for cooperative boards to consider and act on a prospective purchaser's application.
- The bill would also require coop boards to state a reason when denying consent to a sale.
- Currently, coop boards are not required to acknowledge the receipt of an application from a
 prospective purchaser, nor notify them of a rejection or incomplete application. The secretive
 nature of the review process can have an injurious effect on homebuyers, while allowing coop
 boards to unfairly deny qualified buyers.

Application timeline details of the bill

- The bill would require coops boards to acknowledge receipt of an application within 10 days of receiving such application.
- Coop boards would have 45 days (plus an optional 14-day extension) from the date of submission of a completed application to make a decision to approve or deny the applicant.
- A failure by the coop 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.
- A coop board would be required to state a reason upon denial of an applicant.
- Similar legislation has been enacted at the local level in Suffolk, Nassau, Rockland, Dutchess and Westchester counties; none of which has led to increased litigation against cooperative boards.

What to ask from the lawmaker at your meeting:

If they are a sponsor of the bill, please thank them for their support and encourage passage of the bill.

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

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 Floor Calendar No. 134

Bill Sponsors:

Senate: Brisport, Brouk, Cleare, Gonzalez, Jackson, May, Rivera, Salazar

Assembly: Mamdani, Burgos, Cruz, Davila, Epstein, Forrest, Gallagher, Gonzalez-Rojas, Mitaynes, Rosenthal, Jackson, Raga, Reyes, Shrestha, Steck, Carroll, Bichotte Hermelyn, Tapia, Santabarbara, Taylor

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 real estate professionals, 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.
- All licensed real estate brokers and salespersons are required by law to complete mandatory fair housing and other continuing education courses to maintain their license. This expertise could be loss if housing providers decide not to use a REALTOR® due to this bill.
- This bill will result in a shift in how broker compensation is collected resulting in higher overall rents that could actually surpass the cost of the initial up-front fee.
- This bill will drive qualified real estate professionals away from the rental market.
- It will harm prospective tenants by reducing the number and quality of professionals available to assist them in their search.
- This bill does not address any of the underlying problems driving housing unaffordability.

Last, the State Legislature is already considering 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 respectfully suggest that passage of any legislation imposing a 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.

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 <u>SUPPORTS</u> 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, Stirpe, Beephan

Overview and reasons for support:

NYSAR strongly supports increasing the experience requirements to obtain a broker's license in New York State from 2 to 5 years. In 2021, NYSAR supported a new law that increased the number of hours in the broker's qualifying course from 45 to 75 hours. 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.
- Increasing the years of experience required to obtain a broker's license from 2 to 5 years 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 brokers with the experience requirements for "office managers."
- This bill will also ensure that the experience requirements to become a real estate broker exceed that of the "office managers" that report to them.
 - Current law requires 4 years of experience to become an "office manager" (at least 2 years of experience as a licensed real estate salesperson and at least 2 years of experience as a licensed associate broker).
 - o Current law only requires 2 years of experience as a real estate salesperson before being able to obtain a real estate broker's license.

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 OPPOSES ENACTMENT OF THE FOLLOWING:

Affordable Gas Transition Act (AGTA)

(Executive Budget: Part P of S.8308-A/A.8808-A)

NY HEAT Act

S.2016-B (Senator Krueger) | A.4592-B (Assemblymember Fahy)

Status: Passed Senate (3/19/24) | Assembly Corporations, Authorities & Commissions Committee

Bill Sponsors:

Senate: Krueger, May, Addabbo, Breslin, Brisport, Brouk, Chu, Cleare, Comrie, Cooney, Fernandez, Gianaris, Gonzalez, Gounardes, Harckham, Hinchey, Hoylman-Sigal, Jackson, Kavanagh, Liu, Mayer, Myrie, Ramos, Rivera, Salazar, Sanders, Sepulveda, Serrano, Stavisky, Webb

Assembly: Fahy, Shrestha, Simon, Carroll, Colton, Gonzalez-Rojas, L.Rosenthal, Shimsky, Seawright, Gallagher, Ardila, Burdick, Stern, Lunsford, Darling, Thiele, Forrest, Reyes, Sillitti, Cruz, Levenberg, Ramos, Kelles, Mamdani, Rajkumar, Dickens, Bores, Steck, Burgos, De Los Santos, Gibbs, Weprin, Epstein, Simone, Stirpe, Clark, Mitaynes, Anderson, Fall, Cunningham, Paulin, Hunter, Dinowitz, Jean-Pierre, Otis, Tapia, Zaccaro, Kim, Hevesi, Davila, Septimo, Raga, Lavine, Solages, Bronson, Pretlow, Alvarez, Taylor, Glick, Meeks, Jackson, Lupardo, Pheffer Amato, Lee, Sayegh, Jacobson, Bichotte Hermelyn, Eachus, Vanel, Aubry, Rivera, Williams, Chandler-Waterman, Zinerman, Walker, Lucas

Overview and reasons for opposition:

NYSAR strongly opposes these two bills, both of which would authorize the Public Service Commission (PSC) to discontinue portions of the gas distribution system. In giving the PSC these expansive powers, both pieces of legislation would jeopardize the ability of aspiring and current property owners and tenants to receive reliable natural gas service for heating and cooking. The Heat Act protects low-to-moderate income households with a "goal" of a 6% cap on their "energy burden" and places a cap on ratepayer collections. The AGTA does not include any affordability provisions.

NYSAR opposes these bills because they:

- Would eliminate consumer choice with regards to natural gas;
- Would possibly result in transitioning entire neighborhoods away from natural gas at the discretion of the PSC;
- Reduce reliability for consumers with rapid electrification;
- Fail to consider who will pay for the forced transition to electric heat
- Could impose higher energy costs on consumers who are not at or below 80 percent of the state's median income, a large portion of whom are middle income and already facing high energy costs.

NYSAR does not oppose the use of cleaner and greener energy, nor the state's efforts to reduce greenhouse gas emissions, however we remain concerned with the pace of decarbonization, including the reliability of the grid with increased electrification of our homes and businesses. Additionally, NYSAR is concerned about the ratepayer impact on residents and businesses, given the high cost of living in New York State, and ongoing outmigration problems.

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What to ask from the lawmaker at your meeting:

If they are a sponsor, please urge them to reconsider their support.

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.