

State can now revoke real estate licenses for discriminatory practices

Gov. Andrew Cuomo signed the bill into law Monday

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Gov. Andrew Cuomo (Photo by Richard Drew-Pool/Getty Images)

New York State regulators now have the power to revoke real estate licenses if agents or brokers are found to have violated anti-discrimination laws.

Gov. Andrew Cuomo signed the legislation Monday, empowering the Department of State to take action against discriminatory practices today, his office announced. The State Senate had [approved](#) the bill in July, with only Staten Island Sen. Andrew Lanza voting against the measure.

The new law was prompted by [Newsday's 2019 investigation](#) into Long Island's housing market, which revealed agents systematically steered clients toward housing based on race. In a statement, Cuomo acknowledged the [investigation's impact](#) on lawmakers.

"We have zero tolerance for discrimination of any kind in New York and the sheer scope and breadth of the unscrupulous and discriminatory real estate practices uncovered on Long Island is repugnant to who we are," he said.

The governor also took a swipe at President Donald Trump's move last month to [repeal](#) an Obama-era rule that required local and state governments to proactively demonstrate how federal funds are being used to reduce housing discrimination.

"While the federal government is focused on gutting fair housing regulations that have helped so many Americans, we are vastly expanding the State's ability to crack down on unethical real estate agents and protect hard-working New Yorkers," Cuomo said.

The Real Estate Board of New York's president James Whelan called the new law an "important step."

"All New Yorkers must have equal access and opportunity when searching for housing or commercial real estate," he said in a statement.

The New York Residential Agent Continuum, which represents residential agents and brokers in the city, lobbied in favor of the bill this spring, describing it as a safeguard for consumers and to ensure the industry's compliance.

"I think there's been bad behavior in real estate for far too long without any real consequences," said Heather McDonough Domi, co-founding chairperson of NYRAC. "I think our industry needs more of a watchdog."

Brokerage leaders spoke out in frustration at the practices exposed in the Newsday investigation, though some firms disparaged the findings. At the time, a representative for Douglas Elliman called the report "an unreliable, unethical, and unscientific attempt to create a news story where there is none."

The state was forced to issue [subpoenas](#) to the 67 agents and firms that mentioned in the Newsday investigation after all but one [failed to appear](#) for a hearing to probe the findings in late December.

After the police killing of George Floyd in May, many brokerages [spoke out](#) about the need to address systemic racism, while some firms [reckoned internally](#) with accusations of discriminatory practices from staff.

The law follows a set of regulations Cuomo [introduced](#) late last year that requires agents to provide greater disclosures about fair housing laws to homebuyers, sellers, renters and landlords.