

New York Bill Would Require Real Estate Brokers, Salespeople be Trained on Preventing Housing Bias

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Following a three-year investigation conducted by *Newsday* into alleged unequal treatment toward minority homebuyers on Long Island, New York has [announced proposed regulations](#) to combat housing discrimination that would impose certain mandates on the real estate industry.

The proposed regulations would require real estate brokers to provide prospective home buyers, renters, sellers, and landlords information about the federal Fair Housing Act (FHA) and the New York State Human Rights Law. The proposed regulations also would require real estate brokers to display a notice containing the Human Rights Law protections, with information on how consumers can file complaints.

Fair Housing Act

The FHA (42 U.S.C. 3601 *et seq.*, also known as Title VIII of the Civil Rights Act of 1968) prohibits discrimination by rental owners, property managers, and landlords in all aspects of housing, including the sale, rental, advertising, and financing of housing.

As amended in 1988, the FHA prohibits discrimination and harassment on the basis of race, color, religion, sex, disability, family status, and national origin.

While the FHA applies to most housing, limited exemptions to the FHA include:

- A dwelling with four or fewer rental units and the owner occupies one of the units (known as the “Mrs. Murphy” exemption);
- A single-family house sold or rented without the use of a real estate broker, as long as the owner does not own more than three houses;
- Housing owned by a religious organization, for a non-commercial use, may be limited to members of that religion, as long as membership is not restricted by race, color, or nationality;
- Housing owned by a private organization or club, for a non-commercial use, may be limited to members of that club, as long as membership is not restricted by race, color, or nationality; and
- Housing that qualifies as “Housing for Older Persons.”

Even if one of these exemptions applies, under the FHA, there is no exemption for discriminatory advertising for housing.

Moreover, if the FHA does not apply to a specific property, there likely is a local or state fair housing law that prohibits discrimination.

New York’s Proposed Legislation to Combat FHA Violations

New York’s proposed regulations would require real estate brokers and each licensed professional under their supervision to provide prospective home buyers, renters, sellers and landlords a fair housing and New York State Human Rights Law disclosure. In

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addition, the regulations would require video and audio recording of training sessions on fair housing and discrimination in the sale or rental of real property, as well as a one-year preservation requirement.

The proposed regulations also would require real estate brokers to display a notice containing the Human Rights Law protections, with information on how consumers can file complaints. The notice must be displayed at all real estate showings conducted by a real estate professional.

While New York's proposed regulations are pending, companies and individuals can take proactive steps to combat discrimination in housing by becoming informed about FHA requirements and training their employees on the requirements of the FHA and anti-discrimination and harassment.

Please contact a Jackson Lewis attorney with questions about FHA compliance, training, FHA audits, or other issues.

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