

## Legal Alert: NYC Fair Chance for Housing Act

## January 2, 2025

The Fair Chance for Housing Act (Local Law 24) took effect on January 1, 2025. Pursuant to the FCHA, criminal background checks may only be conducted after an applicant is otherwise approved for housing, to ensure rejection isn't solely due to criminal history.

Under this law, "reviewable criminal history" includes:

- (1) Registered sex offenses (no time limit);
- (2) Misdemeanors with less than 3 years since release or sentencing;
- (3) Felonies with less than 5 years since release or sentencing.

Excluded from "reviewable criminal history" are sealed, expunged, or pardoned convictions, certain out-of-state convictions (*e.g.*, health or cannabis-related), and cases resolved in favor of the accused.

If a background check reveals a "reviewable criminal history," the provider must follow the "Fair Chance Housing Process," including sharing all relevant information with the applicant. The applicant has 5-business days to dispute or provide additional information. If an adverse decision is made, the provider must conduct an individualized assessment and notify the applicant, detailing how the criminal history and supporting information were considered.

The law applies to every building in NYC, except (1) a two-family home, where the owner lives in one of the units; or (2) a room within an apartment/house if the owner or primary tenant also resides there.

Practical implications: Starting in 2025, housing providers may be liable for discrimination if they improperly reject applicants based on criminal history or fail to follow proper procedures. Housing providers are also responsible for violations committed by third-party screening companies. If a provider receives information beyond "reviewable criminal history," it is presumed they relied on it unless they can prove they followed the "Fair Chance Housing Process" and did not use the incorrect information to revoke the lease offer.

While the Commission's enforcement of the FCHA is presently unknown, all NYC housing providers must be prepared.

The New York City Administrative Code, Chapter 1, as amended to include §8-107, Unlawful Discriminatory Practices is available <u>here</u>.

<sup>11</sup> Hillside Avenue, Williston Park, NY 11596 | Tel: 516-535-1799 | Facsimile: 516-535-1701 | www.hwrpc.com