

3651

2011-2012 Regular Sessions

I N S E N A T E

February 28, 2011

Introduced by Sen. SMITH -- read twice and ordered printed, and when
printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to refinancing of an exist-
ing mortgage loan

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 3 of section 595-a of the banking law is
2 amended by adding a new paragraph (e) to read as follows:
3 (E) FOR ANY REFINANCING OF AN EXISTING MORTGAGE LOAN, WHERE THE MORT-
4 GAGOR WILL NO LONGER BE PAYING PROPERTY TAX OR INSURANCE PAYMENTS INTO
5 AN ESCROW ACCOUNT, EACH MORTGAGE BROKER, MORTGAGE BANKER AND EXEMPT
6 ORGANIZATION SHALL, PRIOR TO CLOSING, PROVIDE A SEPARATE DISCLOSURE
7 WHICH COMPARES THE TOTAL MONTHLY PAYMENTS UNDER THE PREVIOUS MORTGAGE
8 WITH THE COMBINED MONTHLY PAYMENTS FOR THE NEW MORTGAGE LOAN, REAL PROP-
9 ERTY TAXES AND INSURANCE. THE BANKING BOARD MAY SPECIFY THE FORM,
10 CONTENT AND TIMING OF SUCH DISCLOSURE.
11 S 2. This act shall take effect on the one hundred eightieth day after
12 it shall have become a law.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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