

6817--C

I N S E N A T E

March 26, 2012

Introduced by Sens. MAZIARZ, NOZZOLIO, PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law and the real property tax law, in relation to local government liens and payment contracts

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

1 Section 1. Legislative intent. The legislature finds that local
2 governments are struggling under the weight of increased costs, reduced
3 revenues and increased stresses on their respective budgets. The legis-
4 lature also finds that property owners are struggling under the weight
5 of high property taxes and other local government assessments and need
6 assistance in paying those amounts in order to prevent foreclosure or
7 the sale of the liens to third parties involuntarily. The legislature
8 finds that it is in the best interests of the residents of the state of
9 New York and the local governments to allow property owners to voluntar-
10 ily enter into agreements with private entities whereby the private
11 parties assume the position of the local governments for assessments
12 such as property taxes and water and sewer charges. Currently, property
13 owners are required to pay these assessments in full. Allowing property
14 owners to increase the payment term will help alleviate the pressure on
15 these already financially stressed residents and business owners. More-
16 over, local governments will increase their revenue collections and
17 spend less on actions such as tax lien sales and lien foreclosures to
18 collect unpaid liens, because the lien payors will pay the liens to the
19 local governments in full, all at once.

20 S 2. Paragraph 5 of subsection (b) of section 6403 of the insurance
21 law is amended to read as follows:

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

LBD15093-06-2

1 (5) To invest in or acquire for resale, (i) obligations secured by a
 2 mortgage (including any part of an issue of such obligations) which are
 3 insured or committed to be insured by the Federal Housing Administrator,
 4 or (ii) debentures lawfully issued by the Federal Housing Administrator,
 5 OR LOANS SECURED BY LIENS ON REAL PROPERTY ISSUED BY A COUNTY, CITY,
 6 TOWN OR VILLAGE IN NEW YORK STATE.

7 S 3. Paragraph 2 of subsection (b) of section 6406 of the insurance
 8 law is amended to read as follows:

9 (2) Any such corporation may invest in loans secured by mortgages on
 10 real property guaranteed as to principal or interest by the United
 11 States OR SECURED BY A LIEN ON REAL PROPERTY.

12 S 4. Article 9 of the real property tax law is amended by adding a new
 13 title 4-B to read as follows:

14 TITLE 4-B

15 LIEN PAYMENT CONTRACTS

16 SECTION 977. DEFINITIONS.

- 17 977-A. LIEN TRANSFER.
- 18 977-B. LIEN TRANSFER AUTHORIZATION.
- 19 977-C. LIEN TRANSFER CERTIFICATE.
- 20 977-D. LIEN PAYMENT CONTRACT.
- 21 977-E. ENFORCEMENT.
- 22 977-F. LIEN REPAYMENT AND RELEASE.
- 23 977-G. COLLECTION OF LIEN INFORMATION.

24 S 977. DEFINITIONS. AS USED IN THIS TITLE THE FOLLOWING TERMS SHALL
 25 HAVE THE FOLLOWING MEANINGS:

26 1. "TAXING DISTRICT" SHALL MEAN ANY LOCAL GOVERNMENT ENTITY, INCLUD-
 27 ING, ANY CITY, TOWN, VILLAGE, COUNTY, SCHOOL DISTRICT OR SPECIAL
 28 DISTRICT, THAT IMPOSES TAXES, SPECIAL AD VALOREM LEVIES, WATER OR SEWER
 29 CHARGES OR SPECIAL ASSESSMENTS ON REAL PROPERTY.

30 2. "LIEN PAYMENT" MEANS THE AMOUNT OF MONEY ADVANCED TO A TAXING
 31 DISTRICT ON BEHALF OF A PROPERTY OWNER IN CONSIDERATION FOR THE TRANSFER
 32 OF LIENS FOR PROPERTY TAXES OR WATER OR SEWER CHARGES ON THE OWNER'S
 33 REAL PROPERTY PURSUANT TO A LIEN TRANSFER AUTHORIZATION AND LIEN PAYMENT
 34 CONTRACT.

35 3. "LIEN TRANSFER AUTHORIZATION" SHALL HAVE THE MEANING AS SET FORTH
 36 IN SECTION NINE HUNDRED SEVENTY-SEVEN-B OF THIS TITLE.

37 4. "LIEN TRANSFER CERTIFICATE" SHALL HAVE THE MEANING AS SET FORTH IN
 38 SECTION NINE HUNDRED SEVENTY-SEVEN-C OF THIS TITLE.

39 5. "LIEN PAYMENT CONTRACT" SHALL MEAN A WRITTEN CONTRACT BETWEEN THE
 40 TRANSFEREE AND THE PROPERTY OWNER AS SET FORTH IN SECTION NINE HUNDRED
 41 SEVENTY-SEVEN-D OF THIS TITLE.

42 6. "REFEREE'S DEED" SHALL MEAN THE DEED ISSUED TO THE PURCHASER AT A
 43 FORECLOSURE SALE AT THE COURTHOUSE STEPS.

44 7. "TRANSFEREE" MEANS A PERSON WHO ADVANCES MONEY DIRECTLY TO A TAXING
 45 DISTRICT AT THE REQUEST OF A PROPERTY OWNER IN CONSIDERATION FOR THE
 46 TRANSFER OF LIENS ON THE OWNER'S REAL PROPERTY.

47 S 977-A. LIEN TRANSFER. 1. A PROPERTY OWNER MAY EXECUTE A DOCUMENT AS
 48 DETAILED HEREIN IN THE FORM OF A LIEN TRANSFER AUTHORIZATION THAT
 49 CONSENTS TO AND AUTHORIZES THE TRANSFER OF A TAXING DISTRICT'S LIENS ON
 50 THE OWNER'S REAL PROPERTY TO A TRANSFEREE WHEN THE TRANSFEREE TENDERS
 51 THE LIEN PAYMENT TO THE TAXING DISTRICT ON BEHALF OF THE PROPERTY OWNER.
 52 THE TAXING DISTRICT SHALL NOTATE IN ITS RECORDS INDICATING THE ENTITY TO
 53 WHICH THE TAX LIEN IS BEING TRANSFERRED TO INCLUDE THE NAME, ADDRESS AND
 54 PHONE NUMBER OF SAID ENTITY.

55 2. WITHIN THIRTY DAYS OF RECEIPT BY THE TAXING DISTRICT OF THE PROPER-
 56 TY OWNER'S LIEN TRANSFER AUTHORIZATION AND THE LIEN PAYMENT FROM THE

1 TRANSFEREE, THE TAXING DISTRICT SHALL EXECUTE A LIEN TRANSFER CERTIF-
 2 ICATE ACKNOWLEDGING THAT THE REAL PROPERTY LIENS ON THE SUBJECT PROPERTY
 3 ARE TRANSFERRED TO THE TRANSFEREE. THE LIEN TRANSFER CERTIFICATE AS
 4 DETAILED IN SECTION NINE HUNDRED SEVENTY-SEVEN-C OF THIS TITLE SHALL
 5 CERTIFY THAT THE TAXING DISTRICT RECEIVED THE PROPERTY OWNER'S WRITTEN
 6 AUTHORIZATION TO TRANSFER THE LIENS; THAT THE TRANSFEREE PAID THE LIEN
 7 PAYMENT; AND THAT THE TAXING DISTRICT'S LIENS ARE TRANSFERRED TO THE
 8 TRANSFEREE IN THE AMOUNTS LISTED IN THE LIEN TRANSFER CERTIFICATE.

9 3. IN ADDITION TO THE RIGHTS PROVIDED UNDER THE LIEN PAYMENT CONTRACT,
 10 THE TRANSFEREE AND ITS HEIRS AND ASSIGNS, SHALL BE SUBROGATED TO AND
 11 HAVE ALL OF THE RIGHTS, REMEDIES AND PRIORITIES AS THE TAXING DISTRICT
 12 UNDER APPLICABLE STATE OR FEDERAL LAW, SUBJECT ONLY TO THE TERMS AND
 13 CONDITIONS OF THIS SECTION AND THE LIEN PAYMENT CONTRACT. THE LIEN
 14 TRANSFER CERTIFICATE MAY NOT PERMIT THE TRANSFEREE TO ACT UPON THE LIEN
 15 REPRESENTED BY THE LIEN TRANSFER CERTIFICATE EXCEPT FOR ACTIONS NECES-
 16 SARY TO DEFEND OR ENFORCE THE LIEN OR TO COLLECT THE AMOUNTS OWED AS
 17 PROVIDED FOR IN THE LIEN TRANSFER CERTIFICATE, THE LIEN PAYMENT CONTRACT
 18 AND THIS SECTION. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO CHANGE
 19 THE PRIORITIES OF THE LIENS BEING TRANSFERRED OR THE PRIORITY OF ANY
 20 OTHER LIEN AGAINST SUCH PROPERTY.

21 4. THE LIEN TRANSFER CERTIFICATE SHALL BE RECORDED IN ANY COUNTY
 22 CLERKS' OFFICE WHERE THE PROPERTY IS SITUATED AND THE TRANSFEREE SHALL
 23 PAY ANY STATUTORY FEE FOR SAID RECORDING. FAILURE TO COMPLY WITH THIS
 24 PROVISION HAS NO EFFECT ON THE VALIDITY OF THE TRANSFERRED LIEN OR THE
 25 ENFORCEABILITY OF THE LIEN PAYMENT CONTRACT. IN THOSE TAXING DISTRICTS
 26 THAT USE A GRANTOR/GRANTEE INDEX SYSTEM THE COUNTY CLERK'S OR THE CITY
 27 REGISTER'S OFFICE SHALL CREATE A NEW INDEX FOR THE RECORDING OF TAX LIEN
 28 TRANSFER CERTIFICATES AND IN THOSE TAXING JURISDICTIONS THAT USE A BLOCK
 29 INDEXING SYSTEM, THE COUNTY CLERK'S OR CITY REGISTER'S OFFICE SHALL
 30 CREATE A NEW INDEX TO BE RECORDED AGAINST THE BLOCK AND LOT.

31 S 977-B. LIEN TRANSFER AUTHORIZATION. 1. A DOCUMENT BY A PROPERTY
 32 OWNER AUTHORIZING THE TRANSFER OF LIENS MUST CONTAIN THE FOLLOWING
 33 INFORMATION AND BE IN SUBSTANTIALLY THE FOLLOWING FORM:

34 LIEN TRANSFER AUTHORIZATION PURSUANT TO REAL PROPERTY TAX LAW SECTION
 35 977-B

36 PROPERTY OWNER:

37 PARCEL IDENTIFICATION:

38 YEARS:

39 AMOUNT DUE: (INCLUDE AMOUNT OF ORIGINAL LIEN PLUS ALL ASSOCIATED PENAL-
 40 TIES, INTEREST, COSTS AND FEES)

41 ACCOUNT NUMBER OR IDENTIFICATION CODE:

42 I (NAME OF OWNER(S) OR OWNER'S AUTHORIZED REPRESENTATIVE) OWN(S)
 43 THE REAL PROPERTY LOCATED IN THE COUNTY OF (INSERT COUNTY NAME),
 44 ("TAXING DISTRICT") WITH THE STREET ADDRESS KNOWN AS AND AS MORE FULLY
 45 DESCRIBED BY ITS LEGAL DESCRIPTION AS: (INSERT STREET AND LEGAL
 46 ADDRESSES). PURSUANT TO SECTION 977-B OF THE REAL PROPERTY TAX LAW, I
 47 HEREBY AUTHORIZE THE TREASURER (TAX COLLECTOR, COMPTROLLER, REAL PROPER-
 48 TY DIRECTOR) TO TRANSFER THE LIEN(S) HELD ON THE PROPERTY LISTED ABOVE
 49 TO (NAME OF PERSON OR ENTITY) ("TRANSFEREE"). I HEREBY AUTHORIZE TRANS-
 50 FEREE TO ADVANCE FUNDS IN CONSIDERATION FOR THE TRANSFER OF THE TAXING
 51 DISTRICT'S LIEN(S) IN AN AMOUNT EQUAL TO THE LIEN BALANCE, INCLUDING ALL
 52 TAXES, PENALTIES, INTEREST, COLLECTION COSTS AND OTHER LIEN CHARGES
 53 IMPOSED BY THE TAXING DISTRICT ON THE REAL PROPERTY DESCRIBED ABOVE FOR
 54 THE YEARS AS LISTED HEREIN: (LIST TAX YEARS, TAX AMOUNTS AND TAX
 55 CERTIFICATE NUMBER(S)).

I FURTHER AUTHORIZE AND DIRECT THE TAXING DISTRICT TO ISSUE A LIEN RECEIPT WITH THE TAXING DISTRICT'S SEAL TO THE TRANSFEREE AND TO CERTIFY 1) RECEIPT OF PAYMENT FROM THE TRANSFEREE ON BEHALF OF THE OWNER; AND 2) TRANSFER OF THE LIEN(S) ON THE OWNER'S PROPERTY TO THE TRANSFEREE.

(OWNER(S) OR AUTHORIZED REPRESENTATIVE) SUBSCRIBED AND SWORN TO BEFORE ME ON THIS, THE ____ DAY OF _____, 20____ BY (INSERT NAME OF SIGNER.)

NOTARY PUBLIC, STATE OF NEW YORK DATE SIGNED (INSERT NOTARY'S SEAL)

2. IF THE PROPERTY OWNER AUTHORIZES THE TRANSFER OF LIENS FOR MULTIPLE YEARS OR FOR MULTIPLE PROPERTY LIENS ASSESSED BY THE SAME TAXING DISTRICT, THE AUTHORIZATION FOR ALL OF THE LIENS MAY BE COMBINED INTO ONE FORM.

S 977-C. LIEN TRANSFER CERTIFICATE. 1. A CERTIFIED STATEMENT ISSUED UNDER THIS SECTION BY A TAXING DISTRICT FOR THE PURPOSE OF MEMORIALIZING THE TRANSFER OF A LIEN SHALL CONTAIN THE FOLLOWING INFORMATION AND SHALL BE IN SUBSTANTIALLY THE FOLLOWING FORM:

LIEN TRANSFER CERTIFICATE PURSUANT TO SECTION 977-C OF THE REAL PROPERTY TAX LAW PROPERTY DESCRIPTION: (INSERT PHYSICAL ADDRESS AS WELL AS LEGAL DESCRIPTION) TAX OR PROPERTY ACCOUNT NUMBER: YEAR(S) OF LIEN ASSESSMENT: (INSERT YEAR(S) OF LIENS TRANSFERRED) TAXING DISTRICT(S): AMOUNTS PAID: (AMOUNT OF LIEN AND ANY LIEN CERTIFICATE(S) TRANSFERRED) TAX CERTIFICATE NUMBER: TRANSFEREE: (INSERT NAME OF TRANSFEREE)

I, (INSERT NAME), (TITLE, E.G., TREASURER, TAX COLLECTOR, COMPTROLLER, REAL PROPERTY DIRECTOR) FOR (TAXING DISTRICT(S), E.G., COUNTY, CITY, VILLAGE, TOWN), CERTIFY THAT I HAVE RECEIVED AUTHORIZATION FROM THE OWNER(S) OF THE PROPERTY OR PROPERTIES LISTED ABOVE (OR ON THE ATTACHED EXHIBIT) TO TRANSFER THE LIEN(S) TO THE TRANSFEREE LISTED ABOVE; THAT TRANSFEREE HAS TENDERED THE AMOUNTS PAID TO THE NAMED TAXING DISTRICTS ON THE PROPERTY AS CONSIDERATION FOR A TRANSFER OF THE LIEN(S); AND THAT THE LIEN(S) HELD BY TAXING DISTRICTS ON THE PROPERTY FOR THE YEARS LISTED ABOVE ARE HEREBY TRANSFERRED TO TRANSFEREE IN ACCORDANCE WITH REAL PROPERTY TAX LAW SECTION 977-C. I HAVE ISSUED A RECEIPT TO TRANSFEREE IN CONJUNCTION WITH THIS CERTIFICATION REFLECTING THE PAYMENT FOR THE TRANSFER IN THE AMOUNT OF TAXES, PENALTIES, INTEREST, AND COLLECTION COSTS DUE.

(SIGNATURE OF TREASURER (TAX COLLECTOR, COMPTROLLER, REAL PROPERTY DIRECTOR)

SEAL OF TAXING DISTRICT DATE: _____ (IF NO SEAL OF OFFICE CAN BE PROVIDED, SIGNATURE SHOULD BE NOTARIZED.)

2. IF A PROPERTY OWNER AUTHORIZES THE TRANSFER OF PROPERTY LIENS FOR MULTIPLE YEARS OR FOR MULTIPLE LIENS ASSESSED OR COLLECTED BY THE SAME TAXING DISTRICT, THE STATEMENT CERTIFYING THE TRANSFER OF THE LIENS SHALL BE COMBINED INTO ONE FORM.

3. A TAXING DISTRICT MAY CHARGE A REASONABLE FEE NOT TO EXCEED TWENTY-FIVE DOLLARS FOR EACH STATEMENT CERTIFYING THE TRANSFER OF THE LIENS ON PROPERTY.

S 977-D. LIEN PAYMENT CONTRACT. 1. A PROPERTY OWNER MAY ENTER INTO A LIEN PAYMENT CONTRACT WITH A TRANSFEREE. THE LIEN PAYMENT CONTRACT SHALL

1 SET FORTH SUCH TERMS AND CONDITIONS TO WHICH THE TRANSFEREE AND THE
2 PROPERTY OWNER MAY AGREE REGARDING THE PAYMENT OF THE TRANSFERRED LIEN
3 TO THE TRANSFEREE.

4 2. THE TRANSFERRED LIEN SHALL SECURE ALL AMOUNTS OWED AS PERMITTED BY
5 THE LIEN PAYMENT CONTRACT AND THIS SECTION.

6 3. ANY FEES TO EFFECT THE TRANSFER OF A LIEN OR TO SERVICE A TRANS-
7 FERRED LIEN MAY, AT THE PROPERTY OWNER'S REQUEST AND WRITTEN CONSENT, BE
8 INCLUDED IN AND MADE A PART OF THE AMOUNTS OWED UNDER THE LIEN PAYMENT
9 CONTRACT. IF THE SUBJECT PROPERTY IS OWNED AND OCCUPIED BY THE PROPERTY
10 OWNER AS THE OWNER'S PRINCIPAL RESIDENCE, ADDITIONAL CHARGES TO EFFECT
11 THE TRANSFER SHALL BE LIMITED AS FOLLOWS: AN APPLICATION FEE NOT TO
12 EXCEED TWO HUNDRED FIFTY DOLLARS, FEES FOR TITLE CHARGES NOT TO EXCEED
13 FOUR HUNDRED DOLLARS, REASONABLE AND CUSTOMARY ATTORNEY'S FEES NOT TO
14 EXCEED ONE THOUSAND DOLLARS AND REASONABLE AND CUSTOMARY CLOSING COSTS
15 NOT TO EXCEED FIVE HUNDRED DOLLARS. ALL COSTS AND FEES ASSOCIATED WITH
16 ENFORCING THE RIGHTS OF THE TRANSFEREE UNDER THE TERMS OF THE LIEN
17 PAYMENT CONTRACT AND THIS SECTION ALSO MAY BE INCLUDED IN THE AMOUNT DUE
18 UNDER THE LIEN PAYMENT CONTRACT AND MAY BE LIMITED BY A COURT OF COMPE-
19 TENT JURISDICTION. THE LIEN PAYMENT CONTRACT MAY ALSO PROVIDE THAT IN
20 THE EVENT THAT THE PROPERTY OWNER INITIATES A BANKRUPTCY PROCEEDING, THE
21 TRANSFEREE SHALL BE ENTITLED TO RECOVER ALL FEES AND COSTS INCURRED IN
22 PROTECTING ITS RIGHTS IN THE PROCEEDING.

23 4. THE TRANSFEREE MAY COLLECT INTEREST ON THE AMOUNTS OWED UNDER THE
24 LIEN PAYMENT CONTRACT AT THE RATE OF INTEREST CHARGED ON DELINQUENT
25 LIENS BY THE TAXING DISTRICT THAT TRANSFERRED THE LIEN, EXCEPT THE RATE
26 OF INTEREST COLLECTED BY THE TRANSFEREE SHALL NOT EXCEED ONE AND
27 ONE-HALF PERCENT PER MONTH REGARDLESS OF THE INTEREST RATE CHARGED ON
28 THE DELINQUENT LIENS BY THE TAXING DISTRICT THAT TRANSFERRED THE LIEN.
29 THE AMOUNT OWED MAY INCLUDE TAXES, PENALTIES, INTEREST, FEES AND COSTS
30 AS AGREED TO BETWEEN THE PROPERTY OWNER AND THE TRANSFEREE IN THE LIEN
31 PAYMENT CONTRACT, BUT MAY NOT INCLUDE FUNDS ADVANCED TO THE PROPERTY
32 OWNER FOR ANY OTHER PURPOSE. IF THE PROPERTY OWNER OWNS AND OCCUPIES THE
33 SUBJECT PROPERTY AS THE OWNER'S PRINCIPAL RESIDENCE, THE LIEN PAYMENT
34 CONTRACT MAY NOT CONTAIN A PENALTY FOR EARLY PAYMENT OF THE AMOUNTS OWED
35 UNDER THE LIEN PAYMENT CONTRACT.

36 5. NOTHING CONTAINED IN THIS SECTION SHALL BE DEEMED TO CREATE A MORT-
37 GAGE, NOTE OR OTHER INSTRUMENT OR LIEN GOVERNED BY ANY STATE OR FEDERAL
38 LAW REGULATING MORTGAGE AGREEMENTS, NOR SHALL THE AMOUNT OWED UNDER THE
39 LIEN PAYMENT CONTRACT BE CONSIDERED DEBT FOR PERSONAL, FAMILY OR HOUSE-
40 HOLD PURPOSES. THE LIEN PAYMENT CONTRACT SHALL BE DEEMED A CONTRACT FOR
41 THE PAYMENT OF AMOUNTS OWING TO LOCAL TAXING DISTRICTS AND ASSOCIATED
42 OBLIGATIONS AND SHALL BE GOVERNED BY THIS TITLE AND GENERAL PRINCIPLES
43 OF CONTRACT LAW, EXCEPT FOR THE FORECLOSURE OF THE TRANSFERRED LIEN,
44 WHICH IS SUBJECT TO THE RULES AND REGULATIONS GOVERNING MORTGAGE FORE-
45 CLOSURES AS DETAILED IN THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW.

46 6. ONCE A YEAR, BUT NO LATER THAN THE FIRST OF FEBRUARY OF EACH YEAR,
47 THE TRANSFEREE SHALL PROVIDE A STATEMENT OF ACCOUNT TO THE PROPERTY
48 OWNER. EACH STATEMENT OF ACCOUNT SHALL INCLUDE NAME, ADDRESS AND TELE-
49 PHONE NUMBER OF THE SERVICER OF THE LIEN PAYMENT CONTRACT; THE TOTAL
50 AMOUNT PAID IN THE PRIOR CALENDAR YEAR; THE TOTAL AMOUNT OF INTEREST
51 PAID FOR THAT YEAR; AND THE AMOUNT REMAINING TO BE PAID UNDER THE LIEN
52 PAYMENT CONTRACT.

53 7. IF THE PERSON OR ENTITY SERVICING THE LIEN PAYMENT CONTRACT CHANG-
54 ES, THE TRANSFEREE SHALL SEND WRITTEN NOTICE TO THE PROPERTY OWNER OF
55 THE NAME, ADDRESS AND TELEPHONE NUMBER OF THE NEW LIEN SERVICER WITHIN
56 TEN BUSINESS DAYS OF THE CHANGE IN ADMINISTRATION.

1 S 977-E. ENFORCEMENT. 1. THE TRANSFEREE MAY FILE AN ACTION TO ENFORCE
2 THE TERMS AND CONDITIONS OF THE TRANSFERRED LIEN AND THE LIEN PAYMENT
3 CONTRACT, THE TRANSFEREE SHALL ENFORCE SAID CONTRACT PURSUANT TO ARTICLE
4 THIRTEEN OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW.

5 2. THE TRANSFEREE IS ENTITLED TO RECOVER REASONABLE AND CUSTOMARY
6 COSTS AND FEES TO FORECLOSE OR ENFORCE THE TRANSFERRED LIEN. THE COSTS
7 AND FEES MUST BE APPROVED BY A COURT OF COMPETENT JURISDICTION AND THE
8 PROPERTY TAX PAYOR MAY BE REQUIRED TO SUBMIT PROOF OF THEIR INCURRENCE
9 TO THE COURT. RECOVERABLE FEES AND COSTS MAY INCLUDE:

10 (A) ATTORNEY'S FEES;

11 (B) CHARGES TO VERIFY OWNERSHIP OF THE PROPERTY, NOT TO EXCEED FOUR
12 HUNDRED DOLLARS;

13 (C) FEES FOR RECORDING NOTICES AND DOCUMENTS RELATED TO THE FORECLO-
14 SURE;

15 (D) COSTS OF PROVIDING NOTICE, INCLUDING SERVICE OF PROCESS AND ADVER-
16 TISEMENT; AND

17 (E) OTHER FEES AND COSTS LEGALLY REQUIRED TO FORECLOSE OR TO ENFORCE
18 THE TRANSFERRED LIEN.

19 3. A FORECLOSURE OF A LIEN TRANSFERRED AS PROVIDED BY SECTION NINE
20 HUNDRED SEVENTY-SEVEN-A OF THIS TITLE MAY NOT BE INSTITUTED WITHIN ONE
21 YEAR FROM THE LATEST DATE ON WHICH THE LIEN IS RECORDED IN ALL COUNTIES
22 IN WHICH THE PROPERTY IS LOCATED, UNLESS THE LIEN PAYMENT CONTRACT
23 BETWEEN THE OWNER OF THE PROPERTY AND THE TRANSFEREE PROVIDES OTHERWISE.

24 4. NOTHING IN THIS SECTION SHALL BE DEEMED TO AFFECT THE RIGHTS OF A
25 TAXING DISTRICT UNDER ARTICLE ELEVEN OF THIS CHAPTER.

26 S 977-F. LIEN REPAYMENT AND RELEASE. 1. THE PROPERTY OWNER MAY OBTAIN
27 A RELEASE OF THE TRANSFERRED LIEN BY PAYING THE TRANSFEREE THE AMOUNT
28 DUE UNDER THE LIEN PAYMENT CONTRACT AT ANY TIME AFTER THE TRANSFEREE
29 FILES A LIS PENDENS IN CONNECTION WITH A FORECLOSURE PROCEEDING OF THE
30 SUBJECT PROPERTY.

31 2. A PRIOR RECORDED FIRST LIEN MORTGAGEE MAY OBTAIN A RELEASE OF THE
32 TRANSFERRED LIEN BY PAYING THE TRANSFEREE THE AMOUNT DUE UNDER THE LIEN
33 PAYMENT CONTRACT:

34 (A) AT ANY TIME AFTER THE TRANSFEREE FILES A LIS PENDENS IN CONNECTION
35 WITH A FORECLOSURE PROCEEDING OF THE SUBJECT PROPERTY;

36 (B) UPON PROVIDING THE TRANSFEREE AN AFFIDAVIT STATING THAT THE PROP-
37 erty owner is ninety days or more delinquent in the payment of the
38 owner's first lien mortgage;

39 (C) UPON PROVIDING THE TRANSFEREE AN AFFIDAVIT FROM THE PROPERTY OWNER
40 AUTHORIZING THE PAYMENT AND RELEASE; OR

41 (D) AT THE TRANSFEREE'S DISCRETION.

42 3. WITHIN THIRTY DAYS OF SATISFACTION OF THE LIEN PAYMENT CONTRACT THE
43 TRANSFEREE SHALL RELEASE THE LIEN TRANSFER CERTIFICATE AND RECORD THE
44 RELEASE IN ANY COUNTY CLERK'S OFFICE WHERE THE PROPERTY IS SITUATED AND
45 THE TRANSFEREE SHALL PAY ANY FEE FOR SAID RECORDING.

46 S 977-G. COLLECTION OF LIEN INFORMATION. 1. TWICE ANNUALLY, EACH
47 TAXING DISTRICT SHALL PROVIDE TO THE COMMISSIONER A REPORT, IN SPREAD-
48 SHEET OR COMMA DELIMITED ELECTRONIC FORMAT, OF ALL REAL PROPERTY
49 ACCOUNTS IN SAID TAXING DISTRICT THAT HAVE UNPAID PROPERTY TAXES. THE
50 REPORTS SHALL BE DUE ON OR AROUND JANUARY FIRST AND OCTOBER FIRST. THE
51 JANUARY REPORT SHALL CONTAIN A LISTING OF ALL TAX ACCOUNTS THAT SHOW
52 REAL PROPERTY TAXES DUE. THE OCTOBER REPORT SHALL CONTAIN A LISTING OF
53 ALL TAX ACCOUNTS THAT SHOW REAL PROPERTY TAXES DELINQUENT. FOR EACH
54 ACCOUNT, SAID LISTINGS SHALL INCLUDE THE DATA FROM THE TAX ROLL OF THE
55 TAXING DISTRICT, INCLUDING BUT NOT LIMITED TO THE PROPERTY OWNER'S NAME
56 AND ADDRESS, THE PROPERTY ADDRESS, THE PROPERTY PARCEL IDENTIFIER, THE

1 PROPERTY TYPE CLASSIFICATION CODE (FOR EXAMPLE, AGRICULTURAL, RESIDEN-
2 TIAL, COMMERCIAL OR VACANT LAND), THE ASSESSED VALUE OF THE REAL PROPER-
3 TY AND THE IMPROVEMENTS THEREON, THE EXEMPTIONS, IF ANY, ON THE PROPERTY
4 AND THE YEAR(S) AND AMOUNT DUE OR DELINQUENT.

5 2. THE SUPERINTENDENT OF FINANCIAL SERVICES SHALL CONSOLIDATE THE
6 REPORTS FROM ALL TAXING DISTRICTS. THE SUPERINTENDENT OF FINANCIAL
7 SERVICES SHALL MAKE THE CONSOLIDATED REPORT AVAILABLE TO ANY PERSON UPON
8 REQUEST, IN SPREADSHEET OR COMMA DELIMITED ELECTRONIC FORMAT, AT A
9 REASONABLE PRICE NOT TO EXCEED FIVE HUNDRED DOLLARS.

10 3. THE SUPERINTENDENT OF FINANCIAL SERVICES SHALL PROMULGATE RULES TO
11 IMPLEMENT THIS SECTION.

12 S 5. This act shall take effect on the ninetieth day after it shall
13 have become a law.