

STATE OF NEW YORK

2849

2021-2022 Regular Sessions

IN SENATE

January 26, 2021

Introduced by Sens. THOMAS, MAYER -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT in relation to restricting the repossession of motor vehicles and mobile homes for persons suffering financial hardship as a result of the COVID-19 pandemic; and providing for the repeal of such provisions upon the expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

- 1 Section 1. For the purposes of this act, the following terms shall
2 have the following meanings:
- 3 1. "Covered period" means March 7, 2020 until 180 days after the expi-
4 ration of the state disaster emergency declared for the entire state by
5 executive order number 202 and any further amendments or modifications,
6 and as may be further extended pursuant to section 28 of the executive
7 law.
- 8 2. "Holder of a retail instalment contract" shall have the same mean-
9 ing as set forth in section 301 of the personal property law.
- 10 3. "Financial hardship" means (a) significant loss of household income
11 during the COVID-19 pandemic;
- 12 (b) increase in necessary out-of-pocket expenses related to performing
13 essential work or related to health impacts during the COVID-19 pandem-
14 ic;
- 15 (c) childcare responsibilities or responsibilities to care for an
16 elderly, disabled, or sick family member during the COVID-19 pandemic
17 have negatively affected the ability of holder of a retail instalment
18 contract to obtain meaningful employment or earn income or increased
19 necessary out-of-pocket expenses; or
- 20 (d) other circumstances related to the COVID-19 pandemic have nega-
21 tively affected the ability to obtain meaningful employment or earn
22 income or have significantly reduced household income or significantly
23 increased expenses; and public assistance, including unemployment insur-

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

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1 ance, pandemic unemployment assistance, disability insurance, or paid
2 family leave, does not fully make up for lost household income or
3 increased expenses.

4 4. "Vehicle-secured credit obligation" shall mean either a loan for
5 personal, family, or household purposes that is secured by a mobile home
6 or motor vehicle; or a retail instalment contract as defined in section
7 301 of the personal property law.

8 § 2. 1. Notwithstanding any provision of law to the contrary, no cred-
9 itor, or seller of a motor vehicle subject to a retail instalment
10 contract shall repossess or otherwise take possession of a mobile home
11 or motor vehicle for the duration of the covered period for failure of
12 the buyer to make payments if such person is experiencing financial
13 hardship related to the COVID-19 public health emergency and is unable
14 to make a loan or other agreed on payment for a vehicle-secured credit
15 obligation.

16 2. A holder of a retail instalment contract who is experiencing finan-
17 cial hardship as defined in this act may make a written declaration to
18 that fact and provide such declaration to the creditor or seller of a
19 motor vehicle under a retail instalment contract.

20 3. No creditor shall report any new adverse information that is a
21 result of the COVID-19 public health emergency to any consumer reporting
22 agency.

23 4. No creditor shall assess any fees, penalties or additional interest
24 on any vehicle-secured credit obligation for the duration of the covered
25 period.

26 5. Upon expiration of the covered period, no creditor shall require a
27 lump sum payment or assess any fees, penalties or additional interest on
28 any vehicle-secured credit obligation owed for the duration of the
29 covered period. A creditor shall shift the missed payments to the end of
30 the scheduled term.

31 § 3. This act shall take effect immediately and shall expire and be
32 deemed repealed 180 days after the expiration of the state disaster
33 emergency declared for the entire state by executive order number 202
34 and any further amendments or modifications, and as may be further
35 extended pursuant to section 28 of the executive law.