

STATE OF NEW YORK

2849--A

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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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

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 the date on which none
4 of the provisions that closed or otherwise restricted public or private
5 businesses or places of public accommodation, or required postponement
6 or cancellation of all non-essential gatherings of individuals of any
7 size for any reason in Executive Orders 202.3, 202.4, 202.5, 202.6,
8 202.7, 202.8, 202.9, 202.10, 202.11, 202.12, 202.13, 202.15, as extended
9 by Executive Orders 202.28 and 202.31 and as further extended by any
10 future Executive Order, issued in response to the COVID-19 pandemic,
11 continue to apply in the county of the qualified buyer's residence.
- 12 2. "Qualified buyer" means an individual (a) whose primary residence
13 is located in New York and is encumbered by a vehicle-secured credit
14 obligation, or (b) whose primary vehicle is used for transportation to
15 work, school, or medical appointments and is encumbered by a vehicle-se-
16 cured credit obligation.
- 17 3. "Holder of a retail instalment contract" shall have the same mean-
18 ing as set forth in section 301 of the personal property law.
- 19 4. "Financial hardship" means (a) significant loss of household income
20 during the COVID-19 pandemic;

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

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1 (b) increase in necessary out-of-pocket expenses related to performing
2 essential work or related to health impacts during the COVID-19 pandem-
3 ic;

4 (c) childcare responsibilities or responsibilities to care for an
5 elderly, disabled, or sick family member during the COVID-19 pandemic
6 have negatively affected the ability of holder of a retail instalment
7 contract to obtain meaningful employment or earn income or increased
8 necessary out-of-pocket expenses; or

9 (d) other circumstances related to the COVID-19 pandemic have nega-
10 tively affected the ability to obtain meaningful employment or earn
11 income or have significantly reduced household income or significantly
12 increased expenses; and public assistance, including unemployment insur-
13 ance, pandemic unemployment assistance, disability insurance, or paid
14 family leave, does not fully make up for lost household income or
15 increased expenses.

16 5. "Vehicle-secured credit obligation" means either a loan for
17 personal, family, or household purposes that is secured by a mobile home
18 or motor vehicle; or a retail instalment contract as defined in section
19 301 of the personal property law.

20 § 2. 1. Notwithstanding any provision of law to the contrary, no cred-
21 itor, or seller of a motor vehicle subject to a retail instalment
22 contract shall repossess or otherwise take possession of a mobile home
23 or motor vehicle of a qualified buyer for the duration of the covered
24 period for failure of the qualified buyer to make payments if such
25 person is experiencing financial hardship related to the COVID-19 public
26 health emergency and is unable to make a loan or other agreed on payment
27 for a vehicle-secured credit obligation.

28 2. A qualified buyer who is experiencing financial hardship as defined
29 in this act shall make a written declaration to that fact and provide
30 such declaration to the holder of a vehicle-secured credit obligation. A
31 holder of a vehicle-secured credit obligation may request a qualified
32 buyer submit a written declaration of hardship every 3 months.

33 3. No holder of a vehicle-secured credit obligation shall report any
34 new adverse information that is a result of the COVID-19 public health
35 emergency to any consumer reporting agency.

36 4. No holder of a vehicle-secured credit obligation shall assess any
37 fees, penalties or additional interest on any vehicle-secured credit
38 obligation for the duration of the covered period.

39 5. Upon expiration of the covered period, no holder of a vehicle-se-
40 curred credit obligation shall require a lump sum payment or assess any
41 fees, penalties or additional interest on any vehicle-secured credit
42 obligation owed for the duration of the covered period. A holder of a
43 vehicle-secured credit obligation shall shift the missed payments to the
44 end of the scheduled term.

45 § 3. This act shall take effect immediately.