

STATE OF NEW YORK

8244

2025-2026 Regular Sessions

IN ASSEMBLY

May 5, 2025

Introduced by M. of A. PEOPLES-STOKES -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property actions and proceedings law, in relation to a right of action where registration fees are imposed on mortgagees in default

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

1 Section 1. Subdivisions 3 and 8 of section 1393 of the real property
2 actions and proceedings law, as added by chapter 600 of the laws of
3 2022, are amended to read as follows:

4 3. Any local law, ordinance or resolution that allows for the regis-
5 tration of residential mortgages in default may impose a registration
6 fee not exceeding [~~seventy-five~~] three hundred dollars annually. A mort-
7 gagee and/or its agents are prohibited from passing along such fees to
8 the mortgagor in default.

9 8. Right of action. Any person that has been damaged as a result of
10 the mortgagee and/or its agents passing down fees to the mortgagor in
11 default shall be entitled to bring an action for recovery of damages in:

12 (a) the county in which all or a substantial part of the events or
13 omissions giving rise to the claim occurred;

14 (b) the county of residence for any one of the defendants who is a
15 natural person at the time the cause of action accrued;

16 (c) the county of the principal office in this state of any one of the
17 defendants that is not a natural person; or

18 (d) the county of residence for any plaintiff if the plaintiff is a
19 natural person residing in this state.

20 9. The provisions of this section shall supersede any local law, ordi-
21 nance, or resolution requiring the registration of mortgages in default
22 that was enacted prior to the effective date of this section.

23 § 2. This act shall take effect immediately.

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

LBD11543-01-5