

# STATE OF NEW YORK

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3737--A

2025-2026 Regular Sessions

## IN SENATE

January 29, 2025

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Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary -- recommitted to the Committee on Judiciary in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property law and the banking law, in relation to preventing fraudulent deed transfers

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

1 Section 1. Section 333 of the real property law is amended by adding a  
2 new subdivision 4 to read as follows:

3 4. (a) A recording officer shall not record or accept for recording  
4 any conveyance of real property affecting land in New York state unless  
5 such conveyance contains, or is accompanied by an addendum containing,  
6 explicit and bold language that reads, "YOU ARE HEREBY MADE AWARE THAT  
7 BY SIGNING THIS DEED YOU ARE TRANSFERRING OWNERSHIP OF YOUR LAND OR  
8 HOME", with a signature line under such language which shall contain a  
9 notarized signature of the transferor. Failure of a person or corpo-  
10 ration to use a deed without such warning language or if the transferor  
11 does not sign the acknowledgement to complete such deed transfer pursu-  
12 ant to this section shall be subject to civil penalties as follows:

13 (i) two hundred fifty dollars for a first violation;

14 (ii) five hundred dollars for a second violation within five years of  
15 a prior violation; or

16 (iii) one thousand dollars for a third or subsequent violation within  
17 five years of a prior violation.

18 (b) Each deed or addendum that fails to comply with this section shall  
19 constitute a separate violation. Civil penalties may be imposed by the  
20 secretary of state following notice and an opportunity to be heard, or  
21 may be recovered in a civil action brought by the attorney general.

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

LBD07911-03-6

1 Nothing in this section shall limit existing remedies to void or set  
2 aside fraudulent conveyances under any other law.

3 § 2. Section 6-n of the banking law is amended by adding a new subdi-  
4 vision 3 to read as follows:

5 3. No deed transfer from a borrower to a mortgage servicer that is  
6 transferred as part of a modification of mortgage terms shall be consid-  
7 ered a valid deed transfer. The department shall have the authority to  
8 investigate any deed transfer that is in violation of this subdivision.

9 § 3. Subdivision 1 of section 14 of the banking law is amended by  
10 adding a new paragraph (t) to read as follows:

11 (t) To prescribe the methods and standards under which the department  
12 shall receive and investigate claims of fraudulent deed transfers,  
13 including, but not limited to deed transfers that are in violation of  
14 subdivision three of section six-n of this chapter.

15 § 4. This act shall take effect immediately.