STATE OF NEW YORK

9731

IN SENATE

April 2, 2026

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

AN ACT to amend the real property law and the executive law, in relation to establishing a statewide property recording alert system to prevent deed theft and real estate fraud; and to amend the state finance law, in relation to establishing the county recording modernization fund

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

Section 1. Short title. This act shall be known and may be cited as the "homeowner fraud protection and property alert act".

§ 2. Legislative findings and intent. The legislature finds that deed theft and fraudulent property transfers pose a grave threat to the stability of New York families and communities. Predatory actors target seniors, immigrants, and homeowners of color, stripping them of generational wealth and destabilizing neighborhoods.

While New York City's Automated City Register Information System (ACRIS) has provided a model for protecting homeowners through property alerts, most of New York's 62 counties lack such protections. This uneven access to fraud prevention tools leaves millions of New Yorkers vulnerable.

The legislature therefore declares that it is the policy of the state of New York to establish a uniform, statewide property recording alert system, ensuring that every homeowner-from Brooklyn to Buffalo-has access to timely notice when legal instruments are recorded against their property.

This act, the "homeowner fraud protection and property alert act", will:

1. Provide real-time alerts to homeowners whenever a deed, mortgage, lien, or satisfaction is recorded.

2. Modernize county recording offices across New York, bringing them into the 21st century with digital, accessible, and secure systems.

3. Establish New York as a national leader in technology-driven consumer protection and homeowner justice.

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

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§ 3. The real property law is amended by adding a new section 316-c to read as follows:

§ 316-c. Statewide property recording alert system. 1. Creation of system. The department of state, in consultation with the office of information technology services and county recording officers, shall establish and maintain a statewide electronic property recording alert system.

2. System functionality. (a) The system shall allow property owners to register their property and receive real-time notification whenever an instrument affecting their property, including deeds, mortgages, liens, or satisfactions, is recorded in the official records of any county.

(b) Notifications shall be delivered by electronic mail, text message, automated telephone call, or postal mail, as designated by the registrant.

(c) Notifications shall be available in the ten most common non-English languages in the state.

(d) The system shall comply with accessibility standards under the Americans with Disabilities Act.

3. County participation. (a) Every county recording officer shall integrate its recording system with the statewide alert system pursuant to standards established by the department of state.

(b) Counties may apply for grants under subdivision five of this section to support integration and modernization.

4. Enrollment. (a) Property owners may enroll free of charge through an online portal, by telephone, by mail, or in person at the office of the county recording officer.

(b) Upon the conveyance or refinancing of property, closing agents and title companies shall provide enrollment forms to all property owners.

5. Grants for county modernization. The department of state shall provide grants from the county recording modernization fund established pursuant to section ninety-six-a of the state finance law for:

(a) technology upgrades to digitize paper-based records;

(b) cybersecurity improvements; and

(c) integration with the statewide alert system.

6. Funding. (a) The system shall be funded through annual appropriations of the legislature.

(b) The department of state is authorized to impose a recording surcharge not to exceed five dollars per instrument, the proceeds of which shall be deposited into the county recording modernization fund established pursuant to section ninety-six-a of the state finance law.

(c) Civil penalties and settlements collected in deed theft prosecutions may be directed to the county recording modernization fund established pursuant to section ninety-six-a of the state finance law.

7. Reporting. The department of state shall submit an annual report to the governor and the legislature detailing:

(a) the number of properties enrolled;

(b) the number of alerts issued;

(c) referrals to law enforcement;

(d) cases of fraud prevented; and

(e) county modernization progress.

§ 4. The executive law is amended by adding a new section 94-e to read as follows:

§ 94-e. Coordination with the office of the attorney general. The department of state shall coordinate with the office of the attorney general and local district attorneys to establish protocols for referral

of suspicious filings detected through the statewide property recording alert system.

§ 5. The state finance law is amended by adding a new section 96-a to read as follows:

§ 96-a. County recording modernization fund. 1. There is hereby established in the joint custody of the state comptroller, the commissioner of taxation and finance, and the department of state a fund to be known as the county recording modernization fund.

2. Such fund shall consist of all moneys received by the department of state from the recording surcharge authorized by section three hundred sixteen-c of the real property law, and of civil penalties and settlements collected in deed theft prosecutions as provided in section three hundred sixteen-c of the real property law.

3. Moneys of the fund shall be used to fund grants provided pursuant to section three hundred sixteen-c of the real property law for technology upgrades to digitize paper-based records, cybersecurity improvements, and integration with the statewide alert system.

§ 6. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 7. This act shall take effect eighteen months after it shall have become a law; provided, however, that the department of state may promulgate rules and regulations necessary for the implementation of this act immediately.