

9784

I N A S S E M B L Y

January 28, 2010

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

AN ACT to amend the real property law, in relation to distressed property consultants advertisements

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 265-b of the real property law is amended by adding
2 two new subdivisions 3-a and 3-b to read as follows:
3 3-A. DISTRESSED PROPERTY CONSULTANT ADVERTISEMENTS. (A) ALL ADVERTISE-
4 MENTS DISSEMINATED BY A DISTRESSED PROPERTY CONSULTANT MUST PROMINENTLY
5 INCLUDE THE FOLLOWING STATEMENT: "IN NEW YORK STATE, HOUSING COUNSELORS,
6 WHO ARE APPROVED BY THE U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT
7 OR THE NEW YORK STATE BANKING DEPARTMENT, MAY PROVIDE THE SAME OR SIMI-
8 LAR SERVICES AS A DISTRESSED PROPERTY CONSULTANT FOR FREE. A LIST OF
9 APPROVED HOUSING COUNSELORS CAN BE FOUND ON THE NEW YORK STATE BANKING
10 DEPARTMENT WEBSITE AT WWW.BANKING.STATE.NY.US OR BY CONTACTING THE NEW
11 YORK STATE BANKING DEPARTMENT TOLL-FREE AT 1-877-BANK-NYS
12 (1-877-226-5697). YOU ARE STRONGLY ADVISED TO CONSULT WITH A GOVERNMENT
13 APPROVED HOUSING COUNSELOR BEFORE SIGNING ANY DISTRESSED PROPERTY
14 CONSULTANT CONTRACT." SUCH STATEMENT, IF DISSEMINATED BY PRINT MEDIA OR
15 THE INTERNET, MUST BE PRINTED IN AT LEAST TWELVE-POINT BOLD TYPE.
16 (B) FOR THE PURPOSES OF THIS SUBDIVISION, THE TERM "ADVERTISEMENT"
17 SHALL INCLUDE, BUT IS NOT LIMITED TO, ALL FORMS OF MARKETING, SOLICITA-
18 TION, OR DISSEMINATION OF INFORMATION RELATED, DIRECTLY OR INDIRECTLY,
19 TO SECURING OR OBTAINING A CONSULTING CONTRACT OR SERVICES. FURTHER, IT
20 SHALL INCLUDE ANY AND ALL COMMONLY RECOGNIZED FORMS OF MEDIA MARKETING
21 VIA TELEVISION, RADIO, PRINT MEDIA, ALL FORMS OF ELECTRONIC COMMUNI-
22 CATION VIA THE INTERNET, AND ALL PREPARED SALES PRESENTATIONS GIVEN IN
23 PERSON OR OVER THE INTERNET TO THE GENERAL PUBLIC.
24 (C) THE ADVERTISING PROVISIONS OF THIS SUBDIVISION SHALL APPLY TO ALL
25 DISTRESSED PROPERTY CONSULTANTS WHO DISSEMINATE ADVERTISEMENTS IN THE
26 STATE OF NEW YORK OR WHO INTEND TO DIRECTLY OR INDIRECTLY CONTACT A
27 HOMEOWNER WHO HAS PROPERTY LOCATED IN NEW YORK STATE. DISTRESSED PROPER-
28 TY CONSULTANTS SHALL ESTABLISH AND AT ALL TIMES MAINTAIN CONTROL OVER

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

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1 THE CONTENT, FORM AND METHOD OF DISSEMINATION OF ALL ADVERTISEMENTS OF
2 ITS SERVICES. FURTHER, ALL ADVERTISEMENTS SHALL BE SUFFICIENTLY COMPLETE
3 AND CLEAR TO AVOID THE POSSIBILITY OF DECEPTION OR THE ABILITY TO
4 MISLEAD OR DECEIVE.

5 3-B. THE BANKING DEPARTMENT, IN ITS DISCRETION, MAY CHANGE THE INFOR-
6 MATION THAT IS STATED TO CONTACT THE BANKING DEPARTMENT IN THE NOTICES
7 PROVIDED FOR IN SUBPARAGRAPH (VIII) OF PARAGRAPH (A) OF SUBDIVISION
8 THREE, SUBPARAGRAPH (II) OF PARAGRAPH (B) OF SUBDIVISION THREE, OR PARA-
9 GRAPH (A) OF SUBDIVISION THREE-A OF THIS SECTION, IF THE WEBSITE OR
10 PHONE NUMBER OF THE BANKING DEPARTMENT IS ALTERED OR CHANGED.

11 S 2. This act shall take effect on the sixtieth day after it shall
12 have become a law.