

S T A T E O F N E W Y O R K

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I N A S S E M B L Y

January 28, 2010

Introduced by M. of A. GIANARIS, SCHROEDER, KELLNER, STIRPE, GUNTHER, MILLMAN, HOYT, ESPAILLAT, ZEBROWSKI, CASTRO, TITUS, COOK, DenDEKKER, BOYLAND, KAVANAGH, N. RIVERA, MAISEL, BARRON -- Multi-Sponsored by -- M. of A. BRENNAN, COLTON, CRESPO, DESTITO, GIBSON, GLICK, HYER-SPENCER, JAFFEE, KOON, MARKEY, MAYERSOHN, M. MILLER, NOLAN, PERRY, PHEFFER, REILLY, SWEENEY, TITONE, WEISENBERG -- read once and referred to the Committee on Judiciary -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 a new subdivision 3-a 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, SHALL BE CLEARLY AND LEGIBLY PRINTED OR DISPLAYED IN NOT
16 LESS THAN TWELVE-POINT BOLD TYPE, OR, IF THE ADVERTISEMENT IS PRINTED TO
17 BE DISPLAYED IN PRINT THAT IS SMALLER THAN TWELVE POINT, IN BOLD TYPE
18 PRINT THAT IS NO SMALLER THAN THE PRINT IN WHICH THE TEXT OF THE ADVER-
19 TISEMENT IS PRINTED OR DISPLAYED.

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

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1 (B) FOR THE PURPOSES OF THIS SUBDIVISION, THE TERM "ADVERTISEMENT"
2 SHALL INCLUDE, BUT IS NOT LIMITED TO, ALL FORMS OF MARKETING, SOLICITA-
3 TION, OR DISSEMINATION OF INFORMATION RELATED, DIRECTLY OR INDIRECTLY,
4 TO SECURING OR OBTAINING A CONSULTING CONTRACT OR SERVICES. FURTHER, IT
5 SHALL INCLUDE ANY AND ALL COMMONLY RECOGNIZED FORMS OF MEDIA MARKETING
6 VIA TELEVISION, RADIO, PRINT MEDIA, ALL FORMS OF ELECTRONIC COMMUNI-
7 CATION VIA THE INTERNET, AND ALL PREPARED SALES PRESENTATIONS GIVEN IN
8 PERSON OR OVER THE INTERNET TO THE GENERAL PUBLIC.

9 (C) THE ADVERTISING PROVISIONS OF THIS SUBDIVISION SHALL APPLY TO ALL
10 DISTRESSED PROPERTY CONSULTANTS WHO DISSEMINATE ADVERTISEMENTS IN THE
11 STATE OF NEW YORK OR WHO INTEND TO DIRECTLY OR INDIRECTLY CONTACT A
12 HOMEOWNER WHO HAS PROPERTY LOCATED IN NEW YORK STATE. DISTRESSED PROPER-
13 TY CONSULTANTS SHALL ESTABLISH AND AT ALL TIMES MAINTAIN CONTROL OVER
14 THE CONTENT, FORM AND METHOD OF DISSEMINATION OF ALL ADVERTISEMENTS OF
15 ITS SERVICES. FURTHER, ALL ADVERTISEMENTS SHALL BE SUFFICIENTLY COMPLETE
16 AND CLEAR TO AVOID THE POSSIBILITY OF DECEPTION OR THE ABILITY TO
17 MISLEAD OR DECEIVE.

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