

2590

2009-2010 Regular Sessions

I N S E N A T E

February 24, 2009

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

AN ACT to amend the banking law, in relation to requiring the mortgage bill of rights pamphlet on residential mortgages to be posted and printed in the eight languages which are most spoken in the state

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

1 Section 1. Subdivision 1 of section 35 of the banking law, as added by
2 a chapter of the laws of 2009, entitled "AN ACT" to amend the banking
3 law, in relation to directing licensed mortgage bankers and authorized
4 mortgage loan originators to provide mortgage applicants with a mortgage
5 bill of rights pamphlet on residential mortgages, is amended to read as
6 follows:
7 1. The superintendent [of banks] shall develop a pamphlet known as
8 "the mortgage applicant's bill of rights" and post such pamphlet on the
9 [banking] department's website. SUCH PAMPHLET SHALL BE POSTED AND
10 PRINTED IN THE EIGHT LANGUAGES WHICH ARE MOST SPOKEN IN THIS STATE.
11 Copies of such pamphlet shall be provided to all licensed lenders and
12 banking organizations offering residential mortgage services. A copy of
13 such pamphlet shall be provided by licensed lenders and banking organ-
14 ization to each person before such person enters into an application for
15 a loan secured by a mortgage upon residential real estate. THE PAMPHLET
16 PROVIDED TO EACH SUCH PERSON SHALL BE PRINTED IN A LANGUAGE WHICH THE
17 PERSON IS CAPABLE OF READING AND UNDERSTANDING. Furthermore, such
18 licensed lender and banking organization shall not accept an application
19 for a residential mortgage until the person or persons applying for a
20 mortgage have been provided a copy of the booklet and acknowledged
21 receipt of it in writing. Every licensed lender and banking organization
22 shall maintain such acknowledgement along with the applicant's mortgage
23 loan documents.

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

LBD00035-01-9

1 S 2. This act shall take effect on the same date and in the same
2 manner as a chapter of the laws of 2009, entitled "AN ACT" to amend the
3 banking law, in relation to directing licensed mortgage bankers and
4 authorized mortgage loan originators to provide mortgage applicants with
5 a mortgage bill of rights pamphlet on residential mortgages, takes
6 effect.