

4875

2009-2010 Regular Sessions

I N   S E N A T E

April 27, 2009

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Introduced by Sen. FOLEY -- 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 refinancing of an exist-  
ing mortgage loan

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

1     Section 1. Subdivision 3 of section 595-a of the banking law is  
2     amended by adding a new paragraph (e) to read as follows:  
3     (E) FOR ANY REFINANCING OF AN EXISTING MORTGAGE LOAN, WHERE THE MORT-  
4     GAGOR WILL NO LONGER BE PAYING PROPERTY TAX OR INSURANCE PAYMENTS INTO  
5     AN ESCROW ACCOUNT, EACH MORTGAGE BROKER, MORTGAGE BANKER AND EXEMPT  
6     ORGANIZATION SHALL, PRIOR TO CLOSING, PROVIDE A SEPARATE DISCLOSURE  
7     WHICH COMPARES THE TOTAL MONTHLY PAYMENTS UNDER THE PREVIOUS MORTGAGE  
8     WITH THE COMBINED MONTHLY PAYMENTS FOR THE NEW MORTGAGE LOAN, REAL PROP-  
9     ERTY TAXES AND INSURANCE. THE BANKING BOARD MAY SPECIFY THE FORM,  
10    CONTENT AND TIMING OF SUCH DISCLOSURE.  
11    S 2. This act shall take effect on the one hundred eightieth day after  
12    it shall have become a law.

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

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