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

7489

I N S E N A T E

April 15, 2010

Introduced by Sen. MAZIARZ -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law and the banking law, in relation to the amounts held in mortgage escrow accounts

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

Section 1. Subdivision 1 of section 953 of the real property tax law, as added by chapter 440 of the laws of 1989, is amended to read as follows:

1. Every mortgage investing institution shall make all payments for taxes for which they hold real property tax escrow accounts, in a timely manner. NOTWITHSTANDING FEDERAL LAW, THE AMOUNT HELD IN SUCH ACCOUNTS MAY NOT EXCEED THE ESTIMATED ANNUAL AMOUNT OF THE TAXES THAT WILL BE PAID BY MORE THAN ONE-TWELFTH OF SUCH AMOUNT.

S 2. Paragraph (a) of subdivision 2 of section 6-k of the banking law, as added by chapter 563 of the laws of 1992, is amended to read as follows:

(a) Every mortgage investing institution shall make all payments for insurance for which they hold real property insurance escrow accounts in a timely manner. NOTWITHSTANDING FEDERAL LAW, THE AMOUNT HELD IN SUCH ACCOUNTS MAY NOT EXCEED THE ESTIMATED ANNUAL AMOUNT OF THE INSURANCE PREMIUMS THAT WILL BE PAID BY MORE THAN ONE-TWELFTH OF SUCH AMOUNT.

S 3. This act shall take effect immediately.

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

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