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

10072

I N A S S E M B L Y

May 10, 2016

Introduced by M. of A. WEINSTEIN -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to establishing a statewide electronic database of foreclosed residential real property; and to amend the real property actions and proceedings law, in relation to authorizing the attorney general to enforce the duty to maintain foreclosed property

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

Section 1. The banking law is amended by adding a new section 37-b to read as follows:

S 37-B. STATEWIDE ELECTRONIC DATABASE; FORECLOSED RESIDENTIAL REAL PROPERTY. 1. WHERE A MORTGAGEE OR ITS AGENT HAS OBTAINED A JUDGMENT OF FORECLOSURE AND SALE PURSUANT TO SECTION THIRTEEN HUNDRED FIFTY-ONE OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW, INVOLVING RESIDENTIAL REAL PROPERTY, AS DEFINED IN SECTION THIRTEEN HUNDRED FIVE OF SUCH LAW, THAT IS OR HAS BECOME VACANT, OR HAS BEEN ABANDONED BY THE MORTGAGOR BUT OCCUPIED BY A TENANT, SHALL PROVIDE WRITTEN NOTICE THEREOF TO THE DEPARTMENT, IN SUCH FORM AND MANNER AS SHALL BE DETERMINED BY THE SUPERINTENDENT.

A MORTGAGEE OR ITS AGENT SHALL SUBMIT SUCH NOTICE WITHIN TEN DAYS OF WHEN THE MORTGAGEE OR ITS AGENT LEARNS OR REASONABLY SHOULD HAVE LEARNED THAT THE FORECLOSED RESIDENTIAL REAL PROPERTY IS VACANT OR ABANDONED. SUCH NOTICE SHALL INCLUDE, AT A MINIMUM, THE CURRENT NAME, ADDRESS AND CONTACT INFORMATION FOR THE MORTGAGEE OR AGENT, THE ADDRESS OF THE REAL PROPERTY, THE TAX IDENTIFICATION NUMBER OF THE REAL PROPERTY, AND WHETHER THE PROPERTY IS VACANT OR ABANDONED BUT OCCUPIED BY TENANTS.

2. WHERE ANY OF THE INFORMATION CONTAINED IN A NOTICE TO THE DEPARTMENT MATERIALLY CHANGES SINCE THE SUBMISSION THEREOF OR OWNERSHIP OF THE RESIDENTIAL REAL PROPERTY HAS BEEN TRANSFERRED, THE MORTGAGEE OR ITS AGENT SHALL MAKE AN AMENDED SUBMISSION NOT LATER THAN TEN DAYS AFTER IT LEARNS OR REASONABLY SHOULD HAVE LEARNED OF THE NEW OR CHANGED INFORMATION.

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

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3. THE DEPARTMENT SHALL ESTABLISH AND MAINTAIN A STATEWIDE ELECTRONIC DATABASE OF THE INFORMATION ON FORECLOSED RESIDENTIAL REAL PROPERTY RECEIVED PURSUANT TO THIS SECTION. THE DEPARTMENT SHALL GRANT ACCESS TO SUCH DATABASE TO THE DEPARTMENT OF LAW, FOR PURPOSES OF ENFORCING THE PROVISIONS OF SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW. FURTHERMORE, MUNICIPALITIES IN WHICH RESIDENTIAL REAL PROPERTY, INCLUDED IN SUCH DATABASE, IS LOCATED, SHALL HAVE ACCESS TO THE DATABASE FOR THOSE PROPERTIES WITHIN THE MUNICIPALITY, FOR THE PURPOSES OF ENFORCING SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW. THE INFORMATION IN THE DATABASE SHALL BE KEPT AND REMAIN CONFIDENTIAL BY THE DEPARTMENT, THE DEPARTMENT OF LAW AND MUNICIPALITIES; PROVIDED, HOWEVER, SUCH INFORMATION MAY BE DISCLOSED BY A MUNICIPALITY, UPON WRITTEN REQUEST, TO A NEIGHBORHOOD ASSOCIATION OR ANY OTHER NON-GOVERNMENTAL ENTITY AUTHORIZED TO ENFORCE THE PROVISIONS OF SECTION THIRTEEN HUNDRED SEVEN OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW.

4. THE DEPARTMENT SHALL ESTABLISH AND MAINTAIN EITHER A TOLL-FREE TELEPHONE HOTLINE OR AN INTERNET WEB ADDRESS WHEREBY PERSONS MAY REPORT THE EXISTENCE OF FORECLOSED RESIDENTIAL REAL PROPERTY THAT IS EITHER VACANT OR ABANDONED BUT OCCUPIED BY TENANTS.

S 2. Section 1307 of the real property actions and proceedings law is amended by adding two new subdivisions 9 and 10 to read as follows:

9. THE ATTORNEY GENERAL SHALL HAVE THE AUTHORITY TO INSTITUTE A CIVIL ACTION OR PROCEEDING TO ENFORCE THE PROVISIONS OF THIS SECTION.

10. A PLAINTIFF IN A MORTGAGE FORECLOSURE ACTION WHO OBTAINS A JUDGMENT OF FORECLOSURE WHO KNOWINGLY VIOLATES ANY PROVISION OF THIS ARTICLE OR ANY RULE OR REGULATION PROMULGATED PURSUANT THERETO, SHALL BE SUBJECT TO A FINE OF NOT LESS THAN ONE THOUSAND DOLLARS FOR EVERY RESIDENTIAL REAL PROPERTY IT FAILS TO MAINTAIN.

S 3. This act shall take effect on the one hundred eightieth day after it shall have become a law. Provided, however, that, effective immediately, any and all actions necessary to implement the provisions of this act on its effective date are authorized and directed to be completed on or before such date.