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

8376

2015-2016 Regular Sessions

I N A S S E M B L Y

September 11, 2015

Introduced by M. of A. CURRAN -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property law, in relation to Superstorm Sandy real property foreclosure relief

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

Section 1. The real property law is amended by adding a new section 283 to read as follows:

S 283. SUPERSTORM SANDY REAL PROPERTY FORECLOSURE RELIEF. 1. (A) NOTWITHSTANDING ANY PROVISION OF GENERAL, SPECIAL OR LOCAL LAW TO THE CONTRARY, AN ELIGIBLE REAL PROPERTY OWNER OF AFFECTED REAL PROPERTY DAMAGED AS A RESULT OF SUPERSTORM SANDY MAY, UPON COMMENCEMENT OF A MORTGAGE FORECLOSURE ACTION PURSUANT TO ARTICLE THIRTEEN OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW, MAKE APPLICATION TO THE COURT HAVING JURISDICTION OVER THE ACTION FOR A TEMPORARY STAY IN THE PROCEEDINGS.

(B) A COURT RECEIVING AN APPLICATION FOR A STAY OF MORTGAGE FORECLOSURE PROCEEDINGS PURSUANT TO THIS SECTION MAY, IN ITS DISCRETION, GRANT SUCH A STAY NOT EXCEEDING THIRTY-SIX MONTHS FOLLOWING A DETERMINATION THAT AN APPLICANT IS AN ELIGIBLE REAL PROPERTY OWNER ENTITLED TO SUCH A STAY AS DEFINED IN THIS SECTION.

2. (A) AN ELIGIBLE REAL PROPERTY OWNER SHALL REMAIN RESPONSIBLE FOR ALL PROPERTY TAXES AND FEES INCURRED OR DUE DURING A COURT ORDERED STAY OF FORECLOSURE PROCEEDINGS PURSUANT TO THIS SECTION.

(B) AN ELIGIBLE REAL PROPERTY OWNER SHALL MAINTAIN SUCH AFFECTED REAL PROPERTY DURING A COURT ORDERED STAY OF FORECLOSURE PROCEEDINGS PURSUANT TO THIS SECTION.

3. (A) A STAY OF FORECLOSURE PROCEEDINGS AWARDED TO AN ELIGIBLE REAL PROPERTY OWNER PURSUANT TO THIS SECTION SHALL CEASE UPON REINSTATEMENT OF THE FORECLOSED AFFECTED REAL PROPERTY, A SETTLEMENT OF THE DEBT BETWEEN THE ELIGIBLE PROPERTY OWNER AND LENDER, OR UPON A DETERMINATION

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

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MADE BY THE COURT THAT THE ELIGIBLE REAL PROPERTY OWNER HAS ABANDONED THE AFFECTED REAL PROPERTY PRIOR TO REINSTATEMENT OR A SETTLEMENT BEING REACHED.

(B) NOTHING IN THIS SUBDIVISION SHALL BE CONSTRUED SO AS TO PROHIBIT THE LAWFUL TRANSFER OF REAL PROPERTY PRIOR TO A JUDGMENT OF SALE.

4. DEFINITIONS. AS USED IN THIS SECTION:

(A) "ELIGIBLE REAL PROPERTY OWNER" SHALL MEAN AN INDIVIDUAL WHO OWNED AN AFFECTED PROPERTY ON OCTOBER TWENTY-NINTH THROUGH THIRTIETH, TWO THOUSAND TWELVE AND IS ELIGIBLE FOR ASSISTANCE THROUGH THE NY RISING HOUSING RECOVERY PROGRAM.

(B) "AFFECTED REAL PROPERTY" SHALL MEAN ANY TAX LOT LOCATED IN A COUNTY INCLUDED IN FEMA DISASTER DECLARATION DR-4085 FOLLOWING SUPERSTORM SANDY AND WHICH CONTAINED RESIDENTIAL REAL PROPERTY.

(C) "STAY" SHALL MEAN THE COURT SUSPENDS PROCEEDINGS FOR A PERIOD OF TIME NECESSARY FOR AN ELIGIBLE REAL PROPERTY TO REINSTATE THE AFFECTED PROPERTY OR REACH A SETTLEMENT WITH A LENDER RELATING TO THE DEBT OWED ON THE AFFECTED PROPERTY. IN NO CIRCUMSTANCES SHALL THAT PERIOD OF TIME EXCEED THIRTY-SIX MONTHS.

(D) "NY RISING HOUSING RECOVERY PROGRAM" SHALL MEAN THE PROGRAM OPERATED BY THE GOVERNOR'S OFFICE OF STORM RECOVERY (GOSR) TO FACILITATE HOME REHABILITATION AND RECOVERY FOR THOSE IMPACTED BY CERTAIN NATURAL DISASTERS.

S 2. This act shall take effect immediately.