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

6656--A

I N  S E N A T E

February 3, 2016

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property actions and proceedings law, in relation to providing notice to a homeowner whose property is being foreclosed that they do not have to abandon the property until the foreclosure process is complete

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

Section 1. Subdivision 3 of section 1303 of the real property actions and proceedings law, as amended by chapter 507 of the laws of 2009 and as further amended by section 104 of part A of chapter 62 of the laws of 2011, is amended to read as follows:

3. The notice to any mortgagor required by paragraph (a) of subdivision one of this section shall appear as follows:

Help for Homeowners in Foreclosure

New York State Law requires that we send you this notice about the foreclosure process. Please read it carefully.

Summons and Complaint

You are in danger of losing your home. If you fail to respond to the summons and complaint in this foreclosure action, you may lose your home. PLEASE NOTE: YOU HAVE THE RIGHT TO REMAIN IN YOUR HOME UNTIL YOU RECEIVE A COURT ORDER TELLING YOU TO LEAVE THE PROPERTY. THIS IS NOT AN EVICTION NOTICE AND YOU STILL HAVE THE RIGHT TO REMAIN IN THE HOME UNTIL A COURT ORDERS YOU TO LEAVE. YOU LEGALLY REMAIN THE OWNER OF AND ARE RESPONSIBLE FOR THE PROPERTY UNTIL THE PROPERTY IS SOLD BY YOU OR BY ORDER OF THE COURT AT THE CONCLUSION OF THIS FORECLOSURE ACTION. IF YOU LIVE IN THE PROPERTY YOU HAVE A RIGHT TO A SETTLEMENT CONFERENCE IN COURT AT WHICH YOU CAN TRY TO NEGOTIATE A LOAN MODIFICATION THAT WILL PERMIT YOU TO KEEP YOUR HOME.

Please read the summons and complaint carefully. You should immediately contact an attorney or your local legal aid office to obtain advice on how to protect yourself.

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

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Sources of Information and Assistance

The State encourages you to become informed about your options in foreclosure. In addition to seeking assistance from an attorney or legal aid office, there are government agencies and non-profit organizations that you may contact for information about possible options, including trying to work with your lender during this process.

To locate an entity near you, you may call the toll-free helpline maintained by the New York State Department of Financial Services at (enter number) or visit the Department's website at (enter web address).

Foreclosure rescue scams

Be careful of people who approach you with offers to "save" your home. There are individuals who watch for notices of foreclosure actions in order to unfairly profit from a homeowner's distress. You should be extremely careful about any such promises and any suggestions that you pay them a fee or sign over your deed. State law requires anyone offering such services for profit to enter into a contract which fully describes the services they will perform and fees they will charge, and which prohibits them from taking any money from you until they have completed all such promised services.

S 2. This act shall take effect immediately.