STATE OF NEW YORK

10980

IN ASSEMBLY

September 9, 2020
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Introduced by COMMITTEE ON RULES -- (at request of M. of A. Jean-Pierre) -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to penalties for certain violations committed by mortgage bankers and mortgage brokers

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1   Section 1. Paragraph (a) of subdivision 1 of section 595 of the bank-
2 ing law, as amended by chapter 291 of the laws of 2014, is amended to
3 read as follows:
4   (a) Through a course of conduct, the licensee or registrant has
5 violated any provisions of this article, **or article fifteen of the exec-**
6 **utive law committed in his or her capacity as a mortgage banker or mort-**
7 **gage broker,** or any rule or regulation promulgated by the superintendent
8 of financial services under and within the authority of this article or
9 of any other law, rule or regulation of this state or the federal
10 government;
11   § 2. Paragraphs (g) and (h) of subdivision 1 of section 595-a of the
12 banking law, paragraph (g) as amended and paragraph (h) as added by
13 chapter 308 of the laws of 2006, are amended and a new paragraph (i) is
14 added to read as follows:
15   (g) Violation of section six-j of this chapter; [**and**]
16   (h) Making a mortgage loan, or indirectly or directly providing for
17 the making of a mortgage loan, to an equity purchaser, as defined in
18 section two hundred sixty-five-a of the real property law, if the mort-
19 gage banker, mortgage broker or exempt organization had knowledge that
20 the equity purchaser was not complying with the provisions of section
21 two hundred sixty-five-a of the real property law with respect to such
22 transaction[**.**]**; and**
23   **(i) Violation of article fifteen of the executive law committed in his**
24 **or her capacity as a mortgage banker or mortgage broker.**
25   § 3. This act shall take effect immediately.

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