# STATE OF NEW YORK

6884

2021-2022 Regular Sessions

# IN ASSEMBLY

April 13, 2021

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

AN ACT to amend the real property law and the banking law, in relation to preventing fraudulent deed transfers

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

1    Section 1. Section 333 of the real property law is amended by adding a
2  new subdivision 4 to read as follows:
3    *4. A recording officer shall not record or accept for record any*
4  *conveyance of real property affecting land in New York state unless such*
5  *conveyance contains, or is accompanied by an addendum containing,*
6  *explicit and bold language that reads, "YOU ARE HEREBY MADE AWARE THAT*
7  *BY SIGNING THIS DEED YOU ARE TRANSFERRING OWNERSHIP OF YOUR LAND OR*
8  *HOME", with a signature line under such language which shall contain a*
9  *notarized signature of the transferor. Failure of a person or corpo-*
10 *ration to use a deed without such warning language or if the transferor*
11 *does not sign the acknowledgement to complete such deed transfer pursu-*
12 *ant to this section shall be a class E felony.*
13   § 2. Section 6-n of the banking law is amended by adding a new subdi-
14 vision 3 to read as follows:
15   *3. No deed transfer from a borrower to a mortgage servicer that is*
16 *transferred as part of a modification of mortgage terms shall be consid-*
17 *ered a valid deed transfer. The department shall have the authority to*
18 *investigate any deed transfer that is in violation of this subdivision.*
19   § 3. Subdivision 1 of section 14 of the banking law is amended by
20 adding a new paragraph (t) to read as follows:
21   *(t) To prescribe the methods and standards under which the department*
22 *shall receive and investigate claims of fraudulent deed transfers,*
23 *including, but not limited to deed transfers that are in violation of*
24 *subdivision three of section six-n of this chapter.*
25   § 4. This act shall take effect immediately.

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