

STATE OF NEW YORK

671

2021-2022 Regular Sessions

IN SENATE

(Prefiled)

January 6, 2021

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to modifying delinquent home loans and single point of contact

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

1 Section 1. The banking law is amended by adding a new section 6-o to
2 read as follows:

3 § 6-o. Single point of contact for modifying delinquent home loans. 1.
4 A lender shall provide to a borrower who is sixty or more days delin-
5 quent on his or her home loan with such lender and who chooses to pursue
6 a loan modification or other foreclosure prevention alternative, a
7 single point of contact for the borrower to reach the lender regarding
8 pursuing a loan modification. The borrower shall make his or her request
9 for such contact information in writing or by electronic communication
10 to his or her lender and such lender shall provide the contact informa-
11 tion required herein within ten business days of receiving such borrow-
12 er's request. If at any time the contact information provided to the
13 borrower changes, a notification of such change shall be provided by the
14 lender to the borrower within five business days of such change. The
15 duties imposed on a lender by this section may also be performed by a
16 mortgage servicer acting on behalf of such lender.

17 2. The single point of contact required by this act shall be responsi-
18 ble for the following:

19 (a) communicating information regarding options the borrower may have
20 for modifying his or her delinquent home loan;

21 (b) assisting the borrower with identifying documents necessary for
22 pursuing a loan modification; and

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

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1 (c) providing accurate information regarding the status of a borrow-
2 er's loan modification application should such borrower choose to apply
3 for a modification.

4 3. The single point of contact required by this section shall remain
5 assigned to the borrower's account until such time as the lender deter-
6 mines that all loss modification options have been exhausted or until
7 the borrower's account becomes current.

8 4. For the purposes of this section, "home loan" shall have the same
9 meaning as defined in paragraph (e) of subdivision one of section six-1
10 of this article.

11 § 2. This act shall take effect on the sixtieth day after it shall
12 have become a law and shall apply to home loans entered into on or after
13 such effective date.