

STATE OF NEW YORK

7636--B

2023-2024 Regular Sessions

IN ASSEMBLY

May 25, 2023

Introduced by M. of A. SOLAGES, SHRESTHA, DINOWITZ, SIMON, BLANKENBUSH
-- read once and referred to the Committee on Housing -- recommitted
to the Committee on Housing in accordance with Assembly Rule 3, sec. 2
-- committee discharged, bill amended, ordered reprinted as amended
and recommitted to said committee -- again reported from said commit-
tee with amendments, ordered reprinted as amended and recommitted to
said committee

AN ACT to amend the real property law, in relation to establishing the
homeownership protection program

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

1 Section 1. The real property law is amended by adding a new section
2 265-c to read as follows:

3 § 265-c. Homeownership protection program. 1. Legislative intent. The
4 legislature declares that the establishment of the homeownership
5 protection program (HOPP) is necessary to ensure continuation of New
6 York's investment in its statewide network of non-profit civil legal
7 services providers and housing counseling agencies offering a range of
8 homeownership retention and preservation services to homeowners in every
9 county in the state. The program is also necessary to ensure that the
10 statutory mandates of sections thirteen hundred three and thirteen
11 hundred four of the real property actions and proceedings law and rule
12 thirty-four hundred eight of the civil practice law and rules are
13 fulfilled, so that free housing counseling and legal services are avail-
14 able to homeowners as provided for by sections thirteen hundred three
15 and thirteen hundred four of the real property actions and proceedings
16 law in every county, and so that legal services are available to assist
17 homeowners answering complaints and participating in mandatory settle-
18 ment conferences pursuant to rule thirty-four hundred eight of the civil
19 practice law and rules.

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

LBD10393-08-4

1 2. Counseling and legal representation of individuals who are facing
2 loss of their home or threats to homeownership. (a) Within one year of
3 the effective date of this section, the department of law shall estab-
4 lish the homeownership protection program to ensure the availability of
5 free housing counseling and legal services to homeowners for the
6 purposes of mitigating threats to homeownership including, but not
7 limited to, homeownership retention, home preservation, estate planning,
8 as a tool for preventing theft of real property and other scams targeted
9 to homeowners, preventing avoidable foreclosures and displacement,
10 preserving home equity, preserving homeownership, especially in communi-
11 ties of color, and for any other purposes related to preserving homeown-
12 ership. Such program shall be funded by annual appropriation by the
13 legislature.

14 (b) The department of law shall provide grants to eligible not-for-
15 profit housing counseling organizations and legal services organizations
16 to provide services under the program. Such services shall include, but
17 not be limited to, assistance with loss mitigation and loan and workout
18 applications and negotiations; assistance in applying for assistance
19 programs for homeowners; assistance with resolving property tax, utility
20 and building code violation debts and liens; representation in mortgage
21 and tax and utility lien foreclosure litigation, limited scope represen-
22 tation at settlement conferences pursuant to rule thirty-four hundred
23 eight of the civil practice law and rules; assistance to unrepresented
24 litigants with answers and motions in judicial foreclosure proceedings
25 and brief advice; assistance to homeowners victimized by deed fraud,
26 distressed property consultant, partition and other scammers; and
27 redress of predatory and discriminatory lending, abusive mortgage
28 servicing, and property flipping, including affirmative litigation and
29 administrative complaints with federal, state and local fair housing
30 agencies; and for whatever other purpose deemed necessary by the depart-
31 ment of law to preserve homeownership.

32 3. Program administration. (a) The department of law shall establish
33 criteria for selection of grant applications, review applications and
34 make awards, and exercise and perform such other functions as are
35 related to the purposes of this section.

36 (b) The department of law shall make one-year grants, within the
37 amounts appropriated for that purpose, to not-for-profit housing coun-
38 seling organizations serving homeowners at risk of losing their homes,
39 and legal services organizations, to provide counseling services and
40 legal representation of persons who reside in the state of New York who
41 are facing threats to homeownership.

42 (c) The department of law shall make one-year grants, within the
43 amounts appropriated for that purpose, to ensure that housing counseling
44 and legal services are available free of charge to homeowners in every
45 county of the state and to ensure that the statutory mandates of
46 sections thirteen hundred three and thirteen hundred four of the real
47 property actions and proceedings law and rule thirty-four hundred eight
48 of the civil practice law and rules are fulfilled.

49 (d) The department of law shall make one-year grants, within the
50 amounts appropriated for that purpose, to ensure adequate training,
51 technical assistance and support is provided to the not-for-profit hous-
52 ing counseling and legal services organizations providing services under
53 this section, and to ensure the management of grants and supportive
54 services including, but not limited to, toll-free hotlines, dedicated
55 outreach, technical expertise and other assistance is made available to
56 the organizations providing services.

1 4. Reporting. Each not-for-profit housing counseling organization and
2 legal services organization receiving a grant under this section shall
3 at a minimum report to the attorney general no later than sixty days
4 after the end of each one-year grant. Such report shall include an
5 accounting of the funds received by the grant and the services provided.

6 § 2. This act shall take effect immediately.