STATE OF NEW YORK

2124

2023-2024 Regular Sessions

IN ASSEMBLY

January 23, 2023

Introduced by 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:

Section 1. Paragraph (a) of subdivision 1 of section 595 of the banking law, as amended by chapter 291 of the laws of 2014, is amended to read as follows:

(a) Through a course of conduct, the licensee or registrant has violated any provisions of this article, **or article fifteen of the executive law committed in his or her capacity as a mortgage banker or mortgage broker,** or any rule or regulation promulgated by the superintendent of financial services under and within the authority of this article or of any other law, rule or regulation of this state or the federal government;

§ 2. Paragraphs (g) and (h) of subdivision 1 of section 595-a of the banking law, paragraph (g) as amended and paragraph (h) as added by chapter 308 of the laws of 2006, are amended and a new paragraph (i) is added to read as follows:

(g) Violation of section six-j of this chapter; [~~and~~]

(h) Making a mortgage loan, or indirectly or directly providing for the making of a mortgage loan, to an equity purchaser, as defined in section two hundred sixty-five-a of the real property law, if the mortgage banker, mortgage broker or exempt organization had knowledge that the equity purchaser was not complying with the provisions of section two hundred sixty-five-a of the real property law with respect to such transaction[~~.~~]**; and**

(i) Violation of article fifteen of the executive law committed in his or her capacity as a mortgage banker or mortgage broker.

§ 3. This act shall take effect immediately.

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

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