STATE OF NEW YORK

2744

2025-2026 Regular Sessions

IN ASSEMBLY

January 22, 2025

Introduced by M. of A. JACOBSON -- read once and referred to the Committee on Housing

AN ACT to amend the real property law, in relation to notice of recording of certain documents relating to real estate in counties outside the city of New York

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

Section 1. The real property law is amended by adding a new section 291-k to read as follows:

§ 291-k. Notice of the recording of certain documents relating to real property. 1. As used in this section:

(a) "deed-related document" includes, but is not limited to, a deed, air rights, condemnation proceeding agreement, condominium declaration, confirmatory deed, contract of sale, correction deed, court order, in rem deed, judgment, life estate deed, memorandum of contract, power of attorney, real estate investment trust deed, revocation of power of attorney, sundry agreement, unit assignment and any other document that may be designated as deed-related by the commissioner of taxation and finance;

(b) "interested party" means the property owner, the property owner's agent or attorney or designee, the property lienor, the property lienor's agent or attorney, the executor or administrator of the estate of the owner or lienor of the property, the agent or attorney of the executor or administrator of the estate of the owner or lienor of the property and any other individual that may be designated by the commissioner of taxation and finance; and

(c) "mortgage-related document" includes, but is not limited to, a mortgage, collateral mortgage, mortgage and consolidation, mortgage spreader agreement, satisfaction of mortgage, subordination of mortgage, sundry mortgage, UCC-1 (financing statement), and any other document

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

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that may be designated as mortgage-related by the commissioner of taxation and finance.

2. (a) The department of taxation and finance shall establish and maintain a system for use by the clerk of each county in the state that provides the ability for the clerk to send notification to any interested party that a deed-related or mortgage-related document affecting such party's interest in real property located in the state has been recorded against such property with the office of the clerk of the county in which the real property is situated. The provisions of this section shall not apply to counties located within a city having a population of one million or more persons.

(b) To receive the notification described in paragraph (a) of this subdivision, an interested party may register with the office of the clerk of the county where real property is situated, in a format promulgated by the commissioner of taxation and finance.

(c) In the event that a deed-related or mortgage-related document has been recorded against such property, the office of the county clerk, to the extent practicable, will send notice to the interested party. The notice shall be sent by first class mail. Notice shall also be sent to the interested party by email and/or SMS (text) provided the owner provides an email address and/or a mobile number.

(d) The notification to the interested party shall include information on actions such interested party could take if such interested party suspects that a fraudulent document has been recorded, including but not limited to, information about whom to contact for assistance, filing a complaint or reporting an alleged criminal violation. Neither the department of taxation and finance nor the county clerk shall charge a fee for use of such notification system.

3. Nothing in this section shall be construed to create an enforceable right in any individual to receive the notice described in subdivision two of this section. The failure of a county clerk's office to provide the notice described in this section, or the failure of a real property owner to receive such a notice shall not:

(a) result in any liability of the county clerk's office, the county where the real property is situated, the department of taxation and finance or the state;

(b) prevent the levy, collection and enforcement of taxes on the affected real property;

(c) invalidate any proceedings or filings with respect to the affected real property; and

(d) prevent the state of New York from taking any actions under or enforcing any provision of law or rule.

4. The department of taxation and finance shall conduct outreach to property owners in the state about the provisions of this section.

§ 2. This act shall take effect on the first of January next succeeding the date upon which it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.