STATE OF NEW YORK

10086

IN SENATE

April 27, 2026

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

AN ACT to amend the civil practice law and rules and the real property actions and proceedings law, in relation to residential foreclosure actions

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

Section 1. This act shall be known and may be cited as the "finality in foreclosure act".

§ 2. Subdivisions (d) and (n) of rule 3408 of the civil practice law and rules, subdivision (d) as amended and subdivision (n) as added by section 2 of part Q of chapter 73 of the laws of 2016, are amended to read as follows:

(d) Upon the filing of a request for judicial intervention in any action pursuant to this section, the court shall send either a copy of such request or the defendant's name, address and telephone number (if available) to a housing counseling agency or agencies on a list designated by the division of housing and community renewal for the judicial district in which the defendant resides. Such information shall be used by the designated housing counseling agency or agencies exclusively for the purpose of making the homeowner aware of housing counseling and foreclosure prevention services and options available to them. **The filing of a request for judicial intervention in any residential foreclosure action shall not constitute taking proceedings for the entry of judgment in such action for purposes of section three thousand two hundred fifteen of this chapter.**

(n) **While the settlement conference process is ongoing, the following shall be held in abeyance:**

1. Any motions submitted by the plaintiff or defendant [~~shall be held in abeyance while the settlement conference process is ongoing,~~] except for motions concerning compliance with this rule and its implementing rules.

2. The time period specified by section three thousand two hundred fifteen of this chapter to take proceedings for the entry of default

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

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judgment, which shall resume running upon the removal of the case from the conference calendar.

§ 3. Subdivision (a) of section 205-a of the civil practice law and rules, as added by chapter 821 of the laws of 2022, is amended to read as follows:

(a) If an action upon an instrument described under subdivision four of section two hundred thirteen of this article is timely commenced and is terminated in any manner other than a voluntary discontinuance, a failure to obtain personal jurisdiction over the defendant, a dismissal of the complaint for any form of neglect, including, but not limited to those specified in subdivision three of section thirty-one hundred twenty-six, section thirty-two hundred fifteen, rule thirty-two hundred sixteen and rule thirty-four hundred four of this chapter, for violation of any court rules or individual part rules, for failure to comply with any court scheduling orders, or by default due to nonappearance for conference or at a calendar call, or by failure to timely submit any order or judgment, or upon a final judgment upon the merits, the original plaintiff, or, if the original plaintiff dies and the cause of action survives, [~~his or her~~] their executor or administrator, may commence a new action upon the same transaction or occurrence or series of transactions or occurrences within six months following the [~~termination~~] entry of the order dismissing the action, provided that the new action would have been timely commenced within the applicable limitations period prescribed by law at the time of the commencement of the prior action and that service upon the original defendant is completed within such six-month period. For purposes of this subdivision:

1. a successor in interest or an assignee of the original plaintiff shall not be permitted to commence the new action, unless pleading and proving that such assignee is acting on behalf of the original plaintiff; [~~and~~]

2. in no event shall the original plaintiff receive more than one six-month extension; and

3. the taking of an appeal, or a motion made after entry of the order dismissing the action, does not further extend the time in which a new action may be commenced and service completed pursuant to this subdivision.

§ 4. The real property actions and proceedings law is amended by adding a new section 1394 to read as follows:

§ 1394. Jurisdiction over certain motions. Where no appeal is taken, the court shall lack jurisdiction to hear any motion made more than thirty days after service of notice of entry of the order dismissing or discontinuing the action, except for a motion to vacate pursuant to rule five thousand fifteen of the civil practice law and rules. Except where required by law, no court shall extend the time to make such motion.

§ 5. This act shall take effect immediately and shall apply to all actions in which a final judgment of foreclosure and sale has not been enforced on or before such effective date.