

STATE OF NEW YORK

11590

IN ASSEMBLY

June 5, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Weprin) --
read once and referred to the Committee on Judiciary

AN ACT to amend the surrogate's court procedure act, in relation to
assignments from a decedent's estate made to a transferee for value

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

1 Section 1. The surrogate's court procedure act is amended by adding a
2 new section 2116 to read as follows:

3 § 2116. Assignment made to a transferee for value acquiring any interest
4 of a beneficiary in exchange for cash or other consideration;
5 written agreement

6 1. Where an assignment from a decedent's estate is made to a transfer-
7 ee for value who acquires any interest of a beneficiary in exchange for
8 cash or other consideration, such assignment shall be in the form of a
9 written agreement and shall be subject to the provisions of this
10 section.

11 2. For purposes of this section, "transferee for value" means a person
12 who satisfies both of the following criteria:

13 (a) the person purchases the interest from a beneficiary for consider-
14 ation pursuant to a written agreement; and

15 (b) the person, directly or indirectly, regularly engages in the
16 purchase of beneficial interests in estates for consideration.

17 3. This section shall not apply to any of the following:

18 (a) a transferee who is a beneficiary of the estate or a person who
19 has a claim to distribution from the estate under another instrument or
20 by intestate succession;

21 (b) a transferee who is either the registered domestic partner of the
22 beneficiary, or is related by blood, marriage, or adoption to the bene-
23 ficiary or the decedent; or

24 (c) a transferee who is engaged in the business of locating missing or
25 unknown heirs and who acquires an interest from a beneficiary solely in
26 exchange for providing information or services associated with locating
27 the heir or beneficiary.

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

LBD15833-01-6

1 4. A written agreement required by this section shall be valid only if
2 all of the following conditions are met:

3 (a) the executed written agreement is filed with the court, in accord-
4 ance with 22 NYCRR 207.47, not later than forty-five days following the
5 date of its execution or, if administration of the decedent's estate has
6 not commenced, not later than forty-five days following the issuance by
7 the court of fiduciary letters. Prior to filing or serving such written
8 agreement, the transferee for value shall redact any personally identi-
9 fying information about the beneficiary, other than the name and address
10 of the beneficiary, and any financial information provided by the bene-
11 ficiary to the transferee for value on the application for cash or other
12 consideration, from the agreement;

13 (b) if the negotiation or discussion between the beneficiary and the
14 transferee for value leading to the execution of the written agreement
15 by the beneficiary was conducted in a language other than English, the
16 beneficiary shall receive the written agreement in English, together
17 with a copy of the agreement translated into the language in which it
18 was negotiated or discussed. The written agreement and the translated
19 copy, if any, shall be provided to the beneficiary;

20 (c) the documents signed by, or provided to, the beneficiary are
21 printed in at least ten-point type;

22 (d) the transferee for value executes a declaration or affidavit
23 attesting that the requirements of this section have been satisfied, and
24 the declaration or affidavit is filed with the court within forty-five
25 days of execution of the written agreement or, if administration of the
26 decedent's estate has not commenced, not later than forty-five days
27 following the issuance by the court of fiduciary letters; and

28 (e) notice of the assignment is served on the personal representative
29 or the attorney of record for the personal representative within forty-
30 five days of execution of the written agreement or, if letters of admin-
31 istration or letters testamentary have not been issued, not later than
32 forty-five days following the issuance by the court of fiduciary
33 letters.

34 5. The written agreement shall include the following terms, in addi-
35 tion to any other terms:

36 (a) the amount of consideration paid to the beneficiary;

37 (b) a description of the transferred interest;

38 (c) if the written agreement so provides, the amount by which the
39 transferee for value would have its distribution reduced if the benefi-
40 cial interest assigned is distributed prior to a specified date; and

41 (d) a statement of the total of all costs or fees charged to the bene-
42 ficiary resulting from the transfer for value, including, but not limit-
43 ed to, transaction or processing fees, credit report costs, title search
44 costs, due diligence fees, filing fees, bank or electronic transfer
45 costs, or any other fees or costs. If all the costs and fees are paid by
46 the transferee for value and are included in the amount of the trans-
47 ferred interest, then the statement of costs need not itemize any costs
48 or fees. This subdivision shall not apply to costs, fees, or damages
49 arising out of a material breach of the agreement or fraud by or on the
50 part of the beneficiary.

51 6. A written agreement shall not contain any of the following
52 provisions and, if any such provision is included, such provision shall
53 be deemed null and void:

54 (a) a provision holding harmless the transferee for value, other than
55 for liability arising out of fraud by the beneficiary;

1 (b) a provision granting to the transferee for value agency powers to
2 represent the beneficiary's interest in the decedent's estate beyond the
3 interest transferred;

4 (c) a provision requiring payment by the beneficiary to the transferee
5 for value for services not related to the written agreement or services
6 other than the transfer of interest under the written agreement; and

7 (d) a provision permitting the transferee for value to have recourse
8 against the beneficiary if the distribution from the estate in satisfac-
9 tion of the beneficial interest is less than the beneficial interest
10 assigned to the transferee for value, other than recourse for any
11 expense or damage arising out of the material breach of the agreement or
12 fraud by the beneficiary.

13 7. The court on its own, may inquire into the circumstances surround-
14 ing the execution of, and the consideration for, the written agreement
15 for purposes of determining whether the requirements of this section
16 have been satisfied.

17 § 2. This act shall take effect immediately.