STATE OF NEW YORK

8244

2025-2026 Regular Sessions

IN ASSEMBLY

May 5, 2025

Introduced by M. of A. PEOPLES-STOKES -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property actions and proceedings law, in relation to a right of action where registration fees are imposed on mortgagees in default

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

Section 1. Subdivisions 3 and 8 of section 1393 of the real property actions and proceedings law, as added by chapter 600 of the laws of 2022, are amended to read as follows:

3. Any local law, ordinance or resolution that allows for the registration of residential mortgages in default may impose a registration fee not exceeding [~~seventy-five~~] **three hundred** dollars annually. A mortgagee and/or its agents are prohibited from passing along such fees to the mortgagor in default.

8. **Right of action. Any person that has been damaged as a result of the mortgagee and/or its agents passing down fees to the mortgagor in default shall be entitled to bring an action for recovery of damages in:**

(a) the county in which all or a substantial part of the events or omissions giving rise to the claim occurred;

(b) the county of residence for any one of the defendants who is a natural person at the time the cause of action accrued;

(c) the county of the principal office in this state of any one of the defendants that is not a natural person; or

(d) the county of residence for any plaintiff if the plaintiff is a natural person residing in this state.

9. The provisions of this section shall supersede any local law, ordinance, or resolution requiring the registration of mortgages in default that was enacted prior to the effective date of this section.

§ 2. 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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