STATE OF NEW YORK

9554--A

IN ASSEMBLY

January 14, 2026

Introduced by M. of A. MEEKS -- read once and referred to the Committee on Banks -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the banking law, in relation to enacting the "deed protection act"

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

Section 1. Short title. This act shall be known and may be cited as the "deed protection act".

§ 2. The banking law is amended by adding a new section 6-q to read as follows:

§ 6-q. Loans obtained by deed theft. 1. For the purposes of this section, deed theft occurs when a person who is not the rightful owner takes the title to a home without the homeowner's knowledge or approval.

2. No financial institution shall take possession of any property based on the failure to repay any loan provided by such financial institution for such property if such loan was provided to a person who obtained the title to such property by deed theft, and such financial institution failed to conduct reasonable due diligence to determine whether such person obtained the title to such property by deed theft prior to providing such loan to such person.

§ 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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