

# STATE OF NEW YORK

2627--A

Cal. No. 187

2025-2026 Regular Sessions

## IN SENATE

January 22, 2025

Introduced by Sens. KAVANAGH, BRISPORT, CLEARE, COONEY, FAHY, GOUNARDES, HELMING, HINCHEY, JACKSON, MYRIE, S. RYAN -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, passed by Senate and delivered to the Assembly, recalled, vote reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the real property law, in relation to establishing the homeowner protection program

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

1 Section 1. The real property law is amended by adding a new section  
2 265-c to read as follows:

3 § 265-c. Homeowner protection program. 1. (a) Within one year of the  
4 effective date of this section, the department of law shall establish  
5 the homeowner protection program to ensure the availability of free  
6 housing counseling and legal services to homeowners for the purposes of  
7 mitigating threats to homeownership including, but not limited to,  
8 homeownership retention, home preservation, estate planning, as a tool  
9 for preventing theft of real property and other scams targeted to home-  
10 owners, preventing avoidable foreclosures and displacement, preserving  
11 home equity, preserving homeownership, especially in communities of  
12 color, and for any other purposes related to preserving homeownership.  
13 Such program shall be funded by annual appropriation.

14 (b) The department of law shall provide grants to eligible not-for-  
15 profit housing counseling organizations and legal services organizations  
16 to provide services under the program. Such services shall include, but  
17 not be limited to, assistance with loss mitigation and loan and workout  
18 applications and negotiations; assistance in applying for assistance  
19 programs for homeowners; assistance with resolving property tax, utility

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

LBD03310-03-5

1 and building code violation debts and liens; representation in mortgage  
2 and tax and utility lien foreclosure litigation, limited scope represen-  
3 tation at settlement conferences pursuant to rule thirty-four hundred  
4 eight of the civil practice law and rules; assistance to unrepresented  
5 litigants with answers and motions in judicial foreclosure proceedings  
6 and brief advice; assistance to homeowners victimized by deed fraud,  
7 distressed property consultant, partition and other scammers; and  
8 redress of predatory and discriminatory lending, abusive mortgage  
9 servicing, and property flipping, including affirmative litigation and  
10 administrative complaints with federal, state and local fair housing  
11 agencies; and for whatever other purpose deemed necessary by the depart-  
12 ment of law to preserve homeownership.

13 2. (a) The department of law shall establish criteria for selection of  
14 grant applications, review applications and make awards, and exercise  
15 and perform such other functions as are related to the purposes of this  
16 section.

17 (b) The department of law shall make one-year grants, within the  
18 amounts appropriated for that purpose, to not-for-profit housing coun-  
19 seling organizations serving homeowners at risk of losing their homes,  
20 and legal services organizations, to provide counseling services and  
21 legal representation of persons who reside in the state of New York who  
22 are facing threats to homeownership.

23 (c) The department of law shall make one-year grants, within the  
24 amounts appropriated for that purpose, to ensure that housing counseling  
25 and legal services are available free of charge to homeowners in every  
26 county of the state and to ensure that the statutory mandates of  
27 sections thirteen hundred three and thirteen hundred four of the real  
28 property actions and proceedings law and rule thirty-four hundred eight  
29 of the civil practice law and rules are fulfilled.

30 (d) The department of law shall make one-year grants, within the  
31 amounts appropriated for that purpose, to ensure adequate training,  
32 technical assistance and support is provided to the not-for-profit hous-  
33 ing counseling and legal services organizations providing services under  
34 this section, and to ensure the management of grants and supportive  
35 services including, but not limited to, toll-free hotlines, dedicated  
36 outreach, technical expertise and other assistance is made available to  
37 the organizations providing services.

38 3. Each not-for-profit housing counseling organization and legal  
39 services organization receiving a grant under this section shall at a  
40 minimum report to the attorney general no later than sixty days after  
41 the end of each one-year grant. Such report shall include an accounting  
42 of the funds received by the grant and the services provided.

43 § 2. This act shall take effect immediately.