

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2025**

No. 69

Introduced by Council Members Williams, Riley, Brannan, Restler, Stevens, Zhuang, Ossé, Menin, Brooks-Powers, Krishnan, Nurse, Gutiérrez, Hanks, Sanchez, Moya, Banks, Ung, Marte, Louis, Hudson, Schulman, Narcisse, Mealy, Paladino, Vernikov and Carr.

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to notifying interested parties of the recording of certain real estate instruments

Be it enacted by the Council as follows:

Section 1. Section 7-628 of the administrative code of the city of New York, as added by local law number 249 for the year 2017, subdivision b and the opening paragraph of subdivision e as amended by local law number 136 for the year 2021, is amended to read as follows:

[§ 7-628.] § 7-628 Notification of recording of real estate instruments. a. Definitions. For purposes of this section, *the following terms have the following meanings:*

["Deed-related document."] *Deed-related document.* The term "deed-related document" includes, but is not limited to, a deed, air rights, condemnation proceeding agreement, condominium declaration, confirmatory deed, contract of sale, correction deed, court order, in rem deed, judgment, life estate deed, memorandum of contract, power of attorney, real estate investment trust deed, revocation of power of attorney, sundry agreement, unit assignment and any other document that may be designated as deed-related by the commissioner of finance.

["Department"] *Department.* The term "department" means the department of finance.

[“Interested party.”] *Interested party*. The term "interested party" means the property owner, the property owner's agent or attorney or designee, the property lienor, the property lienor's agent or attorney, the executor or administrator of the estate of the owner or lienor of the property, the agent or attorney of the executor or administrator of the estate of the owner or lienor of the property, *to the extent such persons are known to the department*, and any other individual that may be designated by the commissioner of finance.

[“Mortgage-related document.”] *Mortgage-related document*. The term "mortgage-related document" includes, but is not limited to, a mortgage, collateral mortgage, mortgage and consolidation, mortgage spreader agreement, satisfaction of mortgage, subordination of mortgage, sundry mortgage, UCC-1 (financing statement), and any other document that may be designated as mortgage-related by the commissioner of finance.

Recording event. The term “recording event” means, with respect to a real property for which a person is an interested party, the recording of a deed-related document or mortgage-related document against such real property with the city register or the office of the Richmond county clerk, provided that the department receives notice of such recording from the office of the Richmond county clerk.

b. The department shall establish and maintain a system that provides [any] *each* interested party a notification by [e-mail, text message, or] postal mail, *and, if such party elects to receive such notification by e-mail or text message, by e-mail or text message, or both*, that a [deed-related or mortgage-related document affecting such party’s interest in real property located in the city has been recorded against such property with the city register or the office of the Richmond county clerk, provided that the department has received notice of such recording from the office of the Richmond county clerk] *recording event has occurred*. Such notification *shall be sent to each*

interested party no later than 30 days after such recording event, and shall include information on actions such interested party could take if such interested party suspects that a fraudulent document has been recorded, including but not limited to, information about whom to contact for assistance, filing a complaint, or reporting an alleged criminal violation. The department shall provide a mechanism for any interested party to elect not to receive any such notification. The department shall not charge a fee for use of such notification system.

c. For all class [one] 1 and class [two] 2 properties within the city, as defined in subdivision 1 of section 1802 of the real property tax law, the department shall, to the extent practicable and consistent with applicable law, register the property owner named on the most recent deed-related *document* or mortgage-related document *that has been* recorded and indexed by the city register or the office of the Richmond county clerk prior to [the effective date of this local law] *July 1, 2018*, in the notification system [described] *required* by subdivision b [, provided that the department shall permit any individual registered for the notification system to opt-out of such receipt] *of this section.*

d. To the extent practicable, when a deed-related *document* or mortgage-related document is recorded with the city register or the Richmond county clerk, the department shall automatically register the named property owner on such document [to receive notifications, provided that the department shall permit any individual registered for the notification system to opt-out of such receipt] *in the notification system required by subdivision b of this section.*

e. The department shall report on an annual basis on the notification system established pursuant to subdivision b of this section, and shall include data for Richmond county to the extent that the department has received data from the office of the Richmond county clerk. Such report shall be submitted to the council and published on the department's website *annually* no later than

[the first day of November of each year] *November 1*. Such report shall include, but not be limited to, the following information for the prior year, disaggregated by borough:

[(1) total] *1. The number of individuals registered to receive notifications through the system required by subdivision b of this section, disaggregated by the type of interested party;*

[(2) total] *2. The number of individuals registered to receive notifications for multiple properties;*

[(3) total] *3. The number of properties for which an individual is registered to receive notifications;*

[(4) total] *4. The number of individuals who opted out of receiving notifications;*

[(5) total] *5. The number of individuals who contacted the department regarding an incorrect or suspected fraudulent document recording, disaggregated by the source of information that led to such contact; and*

[(6) total] *6. The number of referrals made by the city register or office of the Richmond county clerk to the city sheriff related to suspected fraudulent document recording, the outcomes of such referrals, and whether an investigation was commenced by the sheriff.*

f. The department shall conduct outreach to property owners about the provisions of this section.

g. The city shall not be liable for any damages as a result of failure to provide the requested notifications, nor shall any cause of action arise from such failure.

§ 2. This local law takes effect 30 days after it becomes law.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on April 24, 2025 and returned unsigned by the Mayor on May 27, 2025.

MICHAEL M. McSWEENEY, City Clerk, Clerk of the Council.

CERTIFICATION OF CORPORATION COUNSEL

I hereby certify that the form of the enclosed local law (Local Law No. 69 of 2025, Council Int. No. 1086-A of 2024) to be filed with the Secretary of State contains the correct text of the local law passed by the New York City Council, presented to the Mayor, and neither approved nor disapproved within thirty days thereafter.

SPENCER FISHER, Acting Corporation Counsel.