



Legislation Details (With Text)

File #: Res 1282-2020 **Version:** * **Name:** Expand NY's General Business Law to offer consumer protections against unfair, deceptive or abusive acts, including deed theft. (S.2407C)

Type: Resolution **Status:** Committee

In control: Committee on Housing and Buildings

On agenda: 4/22/2020

Enactment date: **Enactment #:**

Title: Resolution calling on the New York State Legislature to pass, and the governor to sign, S.2407C, which would expand New York's General Business Law to offer consumer protections against unfair, deceptive or abusive acts, including deed theft.

Sponsors: Robert E. Cornegy, Jr., Margaret S. Chin

Indexes:

Attachments: 1. Res. No. 1282, 2. April 22, 2020 - Stated Meeting Agenda with Links to Files, 3. Hearing Transcript - Stated Meeting 4-22-20, 4. Minutes of the Stated Meeting - April 22, 2020

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|-----------------------------|--------|
| 4/22/2020 | * | City Council | Introduced by Council | |
| 4/22/2020 | * | City Council | Referred to Comm by Council | |

Res. No. 1282

Resolution calling on the New York State Legislature to pass, and the governor to sign, S.2407C, which would expand New York's General Business Law to offer consumer protections against unfair, deceptive or abusive acts, including deed theft.

By Council Members Cornegy and Chin

Whereas, Across New York City, neighborhoods are changing quickly, with rapidly rising rents and property values; and

Whereas, This growing demand for homes, together with the limited supply of stock, has provided ample opportunity for people to fall prey to deed theft; and

Whereas, Deed theft is a deceptive practice in which someone convinces, usually through fraudulent paperwork or misrepresentation, a property owner to sign over the deed to their home; and

Whereas, Often the scammer will target someone who is particularly vulnerable whether because they do not speak English as their first language, is elderly, or is under financial stress; and

Whereas, In recent years areas that are quickly gentrifying, especially neighborhoods in Brooklyn that have traditionally been home to black and brown residents, have become particularly vulnerable to deed theft scams; and

Whereas, For example, between 2014 and 2018, the NYC Office of the Sheriff received 2256 deed fraud complaints, with nearly half of those occurring in Brooklyn; and

Whereas, Those orchestrating deed theft schemes often use shell companies to hide their true identity and create a complicated paper trail that makes prosecuting difficult; and

Whereas, According to an employee from the Attorney General's office who oversees deed theft, it is "easier to steal ownership of a home than actually burglarizing it"; and

Whereas, The City and State have been trying to tackle this issue through a number of fronts; and

Whereas, However there are more protections that can be established to assist homeowners who are vulnerable to deed theft; and

Whereas, The New York State Senate bill S.2407C is one such example; and

Whereas, If enacted, this bill would strengthen the General Business Law (GBL) by expanding the language on prohibited acts to cover those that are considered unfair and abusive, as well as deceptive; and

Whereas, S.2407C also extends both the Attorney General's and organizations' abilities to bring a claim against the perpetrator; and

Whereas, Lastly, S.2407C would also increase the statutory damages to \$1,000, up from \$50; and

Whereas, These changes to the GBL would assist victims of deed theft and strengthen the Attorney General's ability to prosecute these cases; now, therefore, be it

Resolved, That the Council of the City of New York calls on the New York State Legislature to pass, and the Governor to sign, S.2407C, which would expand New York's General Business Law to offer consumer protections against unfair, deceptive or abusive acts including deed theft.

LS #14197
4/7/2020
LMS