Legislation Details (With Text)

File #:	Res 0761-2023	**Version:**	*	**Name:**	S.6569-A, in relation to deed theft, and for the Governor to sign S.6577/A.6656, in relation to the theft of real property and protections for victims of real property theft.
Type:	Resolution			**Status:**	Filed (End of Session)
				In control:	Committee on Housing and Buildings
On agenda:	9/14/2023				
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Title:	Resolution calling on the New York State Legislature to pass, and the Governor to sign, S.6569-A, in relation to deed theft, and for the Governor to sign S.6577/A.6656, in relation to the theft of real property and protections for victims of real property theft.				
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Attachments:	1. Res. No. 761, 2. September 14, 2023 - Stated Meeting Agenda, 3. Hearing Transcript - Stated Meeting 9-14-23, 4. Minutes of the Stated Meeting - September 14, 2023				

Date	Ver.	Action By	Action	Result
9/14/2023	*	City Council	Introduced by Council	
9/14/2023	*	City Council	Referred to Comm by Council	
12/31/2023	*	City Council	Filed (End of Session)	

Res. No. 761

Resolution calling on the New York State Legislature to pass, and the Governor to sign, S.6569-A, in relation to deed theft, and for the Governor to sign S.6577/A.6656, in relation to the theft of real property and protections for victims of real property theft.

By Council Members Hudson, Gutiérrez, Farías, Schulman, Hanif and Brewer

Whereas, According to the New York City (NYC) Department of Finance, deed fraud, also known as deed theft, is when criminals record a fraudulent deed, mortgage, or other lien against a property without the owner's knowledge or consent, with the New York State's (NYS) Office of the Attorney General (OAG) stating in 2023 that the most common ways scammers steal deeds are through forging a real homeowner's signature on a deed before submitting it to a county clerk to imitate a property sale, or tricking a homeowner into unknowingly signing over their property; and

Whereas, According to the OAG, from 2014 to April 2023, the NYC Sheriff's Office counted nearly

3,500 complaints of deed theft throughout the city, with more than 1,500 complaints in Brooklyn and 1,000 from Queens; and

Whereas, The OAG also reported in 2023 that New York State neither has laws that make deed theft a standalone crime nor adequate legal remedies to reverse a fraudulent property sale or stop a deed theft in process, leaving prosecutors bound by statutes of limitations and forced to use charges like grand larceny that, according to the NYS Chief Deputy Attorney General for Social Justice, do not allow prosecutors to take into account certain factors, such as whether the victim is a vulnerable person or whether the property is the victim's primary residence, in determining the severity of the crime; and

Whereas, Deed theft can have devastating effects, with the most obvious being forcing homeowners to give up their homes, but can also include draining a homeowner's finances as they fight a deed theft in court, which can place them in an untenable financial position even if they successfully prevent a deed theft from occurring, and could ultimately still result in the homeowner losing their home due to the scam's financial impacts; and

Whereas, The victims of deed theft are disproportionately Black, Brown, and elderly, with scammers focusing on gentrifying neighborhoods where homes have appreciated in value; and

Whereas, NYC is already in the midst of a housing affordability crisis as well as a homelessness crisis, with the real estate group Douglas Elliman reporting that house prices and rents reached record levels in 2022 and 2023, while City officials stated that NYC's homeless shelter populations hit record levels of 66,000 in October 2022 and 100,000 in June 2023; and

Whereas, Having these concurrent crises raises the importance of keeping homeowners in their homes and preventing the loss of their residences and wealth, especially when the loss is due to fraud; and

Whereas, New York State Senate Bill S.6569-A, sponsored by State Senator Zellnor Myrie, and New York State Bill S.6577/A.6656, sponsored in the State Senate by State Senator Brian Kavanagh and in the State Assembly by Assemblymember Helene E. Weinstein, were introduced as a package of legislation with a

number of key provisions to combat and prevent deed theft; and

Whereas, S.6569-A would establish a crime of deed theft, grant the OAG concurrent criminal jurisdiction to prosecute cases related to deed theft and real estate-related crimes, and extend the statute of limitations to eight years for any felony related to a deed theft and any felony where there is fraud in connection with a real property transaction; and

Whereas, S.6577/A.6656 would void "good faith purchaser" protections that allow buyers to retain their rights to a property regardless of how the seller acquired it, stay eviction proceedings in housing court for homeowners who can show evidence that there is possible deed theft in progress, and expand existing protections from the Homeowner Equity Theft Prevention Act to include homeowners that have active utility liens; and

Whereas, S.6569-A has been passed by the New York State Senate but has yet to be passed by the Assembly, while S.6577/A.6656 has been passed by both branches of the New York State Legislature but is awaiting signature from the Governor; 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.6569-A, in relation to deed theft, and for the Governor to sign S.6577/A.6656, in relation to the theft of real property and protections for victims of real property theft.

CCK
LS # 13321
08/02/2023