



NEW YORK STATE SENATOR

Jeffrey D. Klein

## Klein/Weinstein Bill Extending Critical Foreclosure Protections for Homeowners Signed into Law by Governor Cuomo

JEFFREY D. KLEIN June 23, 2014

| ISSUE: **BANKS, HOUSING, FORECLOSURE**

**ALBANY, NY** – On the final day of the legislative session, Senate Co-Leader Jeffrey Klein (D-Bronx/Westchester) and Assemblywoman Helene Weinstein announced that Governor Cuomo signed into law legislation extending vital foreclosure prevention measures and homeowner protections for an additional five years beyond the February 2015 expiration date. The Senate approved the measure 56 – 1 on June 10<sup>th</sup> and the Assembly passed it on June 2<sup>nd</sup>.

This law will extend the requirement for lenders to provide 90 notice of foreclosure and mandatory settlement conferences for all home loans. An expiration of these protections would have meant that tens of thousands of New York homeowners in pre-foreclosure were in serious danger of losing their homes. The legislation was signed into law by Governor Cuomo Thursday, June 19<sup>th</sup>.

**Senate Majority Coalition Leader Jeff Klein (D-Bronx/Westchester) said,** “As the legislative session comes to a close, I am thrilled that the nearly 30,000 New York City homeowners currently facing foreclosure are guaranteed these important foreclosure protections that will keep them in their homes. Staving off foreclosure benefits entire communities by preventing foreclosed homes from bringing down property values and making our neighborhoods unsafe. Thanks to Assemblywoman Weinstein and Governor Cuomo, we have made sure that these solid protections are in place for New Yorkers now and in the future.”

The Assembly bill was sponsored by Assembly Judiciary Committee Chair, Assemblywoman Helene E. Weinstein (D-Brooklyn).

**Assemblywoman Helene E. Weinstein (D-Brooklyn) said,** “The mandatory settlement conference and 90-day notice provisions for all home loans along with the requirement for banks to negotiate in good faith are crucial protections for borrowers at risk of losing their homes. I thank Governor Cuomo, Senator Klein and my Assembly colleagues for ensuring that home owners facing foreclosure will have access to the protections we’ve put into place, and therefore less likely to lose their homes.”

“Empire Justice Center applauds Governor Cuomo for acting so quickly in signing this critical piece of legislation into law. We also truly appreciate the efforts of sponsors Senator Klein and Assemblywoman Weinstein in ensuring its passage. Now, homeowners at risk of foreclosure will not be not left wondering whether they will have access to a settlement conference when they need it. These settlement conferences have been a critical measure in ensuring justice for New York homeowners in jeopardy of losing their homes, **said Kirsten Keefe, Senior Attorney at Empire Justice Center.**

Earlier this month, Senator Klein released a report, co-authored by Assemblywoman Helene Weinstein, detailing the impact individual foreclosures have on entire communities, the vast majority of which are majority-minority neighborhoods. In New York City as a whole, minority neighborhoods experience 80% of pre-foreclosures with almost 24,000 out of the nearly 30,000 total in pre-foreclosure. The Bronx and Queens demonstrated the greatest inequality between neighborhoods with homes in pre-foreclosure. In these boroughs, minority-majority neighborhoods experience 93% of pre-foreclosures.