



NEW YORK STATE SENATOR

Velmanette Montgomery

## A Legislative Report on the Hearing Regarding The Crisis Facing Homeowners in Brooklyn and throughout New York City

VELMANETTE MONTGOMERY August 27, 2019

| ISSUE: NYC HPD, THIRD PARTY TRANSFER PROGRAM AND THE HDFC CRISIS. PROTECTING NY HOMEOWNERS, REDLINING AND PREDATORY FORECLOSURES PRACTICES, DEED THEFT AND EQUITY THEFT, IMPACT OF WATER AND SEWAGE LIENS



Dear Neighbor,

On March 15, 2019, I joined **Brooklyn Borough President Eric Adams** and **Assemblymember Tremaine Wright**, Chair of the NYS Black, Puerto Rican, Hispanic & Asian Legislative Caucus to host a Joint Legislative Hearing to Examine the Crisis Facing Homeowners in Brooklyn

and throughout New York City.

The hearing was co-sponsored in partnership with **State Senator Brad Hoylman**, Chairman of the Senate Committee on Judiciary, **State Senator Robert Jackson**, Chairman of the Senate Committee on Cities, **State Senator Kevin Parker**, Chairman of the Senate Committee on Energy & Telecommunications, **State Senator Brian A. Benjamin**, Chairman of the Senate Committee on Revenue and Budget, **State Senator Brian Kavanagh**, Chairman of the Senate Committee on Housing, Construction & Community Development and **Assemblymember Al Taylor**, Chairman - Assembly Subcommittee on Regulated Mortgage Lenders.

Over 300 attendees heard testimony from homeowners, legal experts, foreclosure prevention advocates and stakeholders on issues such as the New York City Department of Housing Preservation and Development's Third Party Transfer (TPT) Program and its impact on Housing Development Fund Corporations (HDFCs), redlining and predatory lending practices, deed theft and equity fraud, the devastating impact of municipal water and sewer liens, and the court system.

At the hearing, testimony was provided by:

- Office of the NYS Attorney General
- New York State Foreclosure Defense Bar
- DuBois Bunche Center for Public Policy at Medgar Evers College
- New Economy Project
- Brooklyn Legal Services
- Center for NYC Neighborhoods
- New York Legal Assistance Group
- Mobilization for Justice

- Brooklyn Queens Land Trust
- Center for Law & Social Justice at Medgar Evers College
- Brooklyn HDFC Coalition
- 111 Linden Street HDFC
- LES HDFC Alliance
- Community Board 17
- Brooklyn Homeowners
- Community Board 3
- Brooklyn Bar Association Volunteer Lawyers Project
- CAMBA Legal Services
- City Bar Justice Center

To learn more about the testimonies submitted, please visit:

<https://www.nysenate.gov/senators/velmanette-montgomery>

This report summarizes the testimonies and recommendations, provides an update on what we have accomplished so far and what we will continue to work on.

Thank you to all those who took the time to testify and submit testimony. I look forward to our continued partnership to protect homeowners throughout our City.

Sincerely,

State Senator Velmanette Montgomery

25th Senate District

To read the full report, download the PDF above. To request a copy, contact my office at 718-643-6140 or 518-455-3451.

To learn more about the March 2019 Hearing, visit

<https://www.nysenate.gov/newsroom/articles/2019/velmanette-montgomery/joint-legislative-hearing-crisis-facing-homeowners>

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#### RELATED LEGISLATION

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### 2019-S1688

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor

- 

Provides for the regulation of distressed home loans

January 15, 2019

Senate Floor Calendar

Sponsored by **Velmanette Montgomery**

Do you support this bill?

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## 2019-S4865A

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

Establishes the uniform partition of heirs property act

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March 28, 2019

Signed by Governor

Sponsored by **Brad Hoylman-Sigal**

Do you support this bill?

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## 2019-S5160

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

Provides that the defense, in a mortgage foreclosure action, of the plaintiff's lack of standing is not waived because of the defendant's failure to raise such defense in his or her responsive pleading

April 11, 2019

Signed by Governor

Sponsored by **Brian Kavanagh**

Do you support this bill?

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## 2019-S727A

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

**Relates to the banking development district program**

January 08, 2019

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Signed by Governor

Sponsored by [Velmanette Montgomery](#)

Do you support this bill?

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## 2019-S3216

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

[Makes the affirmative allegation provisions for high-cost loans and subprime home loans, applicable to all mortgage foreclosures](#)

February 04, 2019

In Senate Committee [Rules](#)



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## 2019-S5017A

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

Relates to the obligations of banks and financial institutions during the sale of a mortgage subject to an application for modification

April 03, 2019

Senate Floor Calendar

## 2019-S6638

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

Relates to exempting certain non-profit community gardens from payment for water usage and supply

July 29, 2019

In Senate Committee **Cities**

Sponsored by **Velmanette Montgomery**

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## 2019-S6637

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
- 

Exempts "non-profit housing development fund corporations" in New York city from payment for water usage and supply

July 29, 2019

In Senate Committee **Cities**

Sponsored by **Velmanette Montgomery**

Do you support this bill?

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