

5396

2011-2012 Regular Sessions

I N   S E N A T E

May 17, 2011

Introduced by Sens. LIBOUS, YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the private housing finance law, in relation to powers of the agency

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Paragraph 3 of subdivision 29-a of section 44 of the  
2 private housing finance law, as amended by chapter 474 of the laws of  
3 1987, is amended to read as follows:

4     (3) The powers granted by this subdivision may be exercised only if  
5 (a) obligations of the agency have been issued to fund the loan made or  
6 purchased by the agency and such obligations have received an investment  
7 grade rating from a recognized rating agency [or]; (b) the loan made or  
8 purchased by the agency is fully secured as to principal and interest by  
9 insurance or a commitment to insure issued by the state of New York  
10 mortgage agency or by the general credit of a bank, national bank, trust  
11 company, savings bank, savings and loan association, insurance company,  
12 governmental agency of the United States, or any combination thereof; OR  
13 (C) OBLIGATIONS OF THE AGENCY ARE PURCHASED BY A BANK, NATIONAL BANK,  
14 TRUST COMPANY, SAVINGS BANK, SAVINGS AND LOAN ASSOCIATION, INSURANCE  
15 COMPANY, GOVERNMENTAL AGENCY OF THE UNITED STATES, OR ANY WHOLLY-OWNED  
16 SUBSIDIARY OR COMBINATION THEREOF.

17     S 2. Paragraph 3 of subdivision 23-c of section 654 of the private  
18 housing finance law, as added by chapter 702 of the laws of 1992, is  
19 amended to read as follows:

20     (3) The powers granted by this subdivision may be exercised only if  
21 (a) obligations of the corporation have been issued to fund the loan  
22 made or purchased by the corporation and such obligations have received  
23 an investment grade rating from a recognized rating agency [or]; (b) the  
24 loan made or purchased by the corporation is fully secured as to princi-

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 pal and interest by insurance or a commitment to insure by the state of  
2 New York mortgage agency or New York city residential mortgage insurance  
3 corporation or by the general credit of a bank, national bank, trust  
4 company, savings bank, savings and loan association, insurance company,  
5 governmental agency of the United States, or any combination thereof; OR  
6 (C) OBLIGATIONS OF THE CORPORATION ARE PURCHASED BY A BANK, NATIONAL  
7 BANK, TRUST COMPANY, SAVINGS BANK, SAVINGS AND LOAN ASSOCIATION, INSUR-  
8 ANCE COMPANY, GOVERNMENTAL AGENCY OF THE UNITED STATES, OR ANY  
9 WHOLLY-OWNED SUBSIDIARY OR COMBINATION THEREOF.

10 S 3. This act shall take effect immediately; provided, however that  
11 the amendments to subdivision 29-a of section 44 of the private housing  
12 finance law made by section one of this act shall not affect the repeal  
13 of such subdivision and shall be deemed repealed therewith; and  
14 provided, further, that the amendments to subdivision 23-c of section  
15 654 of the private housing finance law made by section two of this act  
16 shall not affect the repeal of such subdivision and shall be deemed  
17 repealed therewith.