

STATE OF NEW YORK

5420

2021-2022 Regular Sessions

IN ASSEMBLY

February 16, 2021

Introduced by M. of A. L. ROSENTHAL -- read once and referred to the
Committee on Housing

AN ACT in relation to prohibiting certain limited-profit housing compa-
nies from voluntarily dissolving during the state disaster emergency
declared in response to the outbreak of COVID-19

The People of the State of New York, represented in Senate and Assem-
bly, do enact as follows:

1 Section 1. 1. Notwithstanding any provision of law to the contrary,
2 no company or urban rental company, as such terms are defined in section
3 12 of the private housing finance law, shall be dissolved pursuant to
4 the provisions of section 35 of such law or shall undergo semi-privati-
5 zation pursuant to 28 RCNY 3-14(i)(15), or shall initiate any actions or
6 proceedings related to dissolution or semi-privatization, including but
7 not limited to, conducting a vote to authorize a feasibility study;
8 submitting a preliminary offering plan to the attorney general for
9 approval; distributing a preliminary offering plan to shareholders;
10 distributing a final offering plan or proxy statement to shareholders;
11 submitting a notice of intent to dissolve to the commissioner of housing
12 or supervising agency; committing, promising, or expending funds in any
13 way for the purposes of dissolution or semi-privatization; or holding
14 any of the required notice meetings during the state disaster emergency
15 declared pursuant to executive order 202 of 2020 in response to the
16 outbreak of novel coronavirus, COVID-19 and for two years following the
17 conclusion of such state disaster emergency.

18 2. As used in this act, the term "semi-privatization" means dissolving
19 as a mutual housing company and transferring the property to a housing
20 development fund company organized pursuant to article XI of the private
21 housing finance law.

22 § 2. This act shall take effect immediately.

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

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