

STATE OF NEW YORK

7828

2025-2026 Regular Sessions

IN ASSEMBLY

April 11, 2025

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

AN ACT to amend the private housing finance law, in relation to creating an affordable housing insurance relief fund program; and providing for the repeal of such provisions upon expiration thereof

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

1 Section 1. The private housing finance law is amended by adding a new
2 article 33 to read as follows:

3 ARTICLE XXXIII

4 AFFORDABLE HOUSING INSURANCE RELIEF FUND PROGRAM

5 Section 1301. Definitions.

6 1302. Affordable housing insurance relief fund program.

7 1303. Program criteria.

8 1304. Funding criteria.

9 1305. Funding.

10 1306. Annual report.

11 1307. Stakeholder advisory group.

12 1308. Disposition upon expiration.

13 § 1301. Definitions. For the purposes of this article, the following
14 terms shall have the following meanings:

15 1. "Corporation" shall mean the housing trust fund corporation estab-
16 lished in section forty-five-a of this chapter.

17 2. "Program" shall mean the affordable housing insurance relief fund
18 program established under this article.

19 3. "Eligible project" shall mean a proposed, one hundred percent
20 affordable or supportive multifamily rental property subject to a regu-
21 latory agreement with one or more municipal, state, or federal housing
22 agencies.

23 4. "Eligible applicant" shall include for-profit and not-for-profit
24 affordable housing developers that have a regulatory agreement with one

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

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1 or more municipal, state, or federal housing agencies which will be
2 applicable to one hundred percent of the housing units on the property
3 upon completion of the property's development.

4 § 1302. Affordable housing insurance relief fund program. Within
5 amounts appropriated or otherwise available therefor, the housing trust
6 fund corporation shall develop and administer an affordable housing
7 insurance relief fund program which shall provide aid in the form of
8 payments and grants for reasonable and necessary housing insurance
9 expenses to eligible applicants for the development of affordable hous-
10 ing properties in accordance with this article.

11 § 1303. Program criteria. 1. The corporation shall develop procedures,
12 criteria and requirements for the program related to the competitive
13 application for and award of grants pursuant to this article which shall
14 include, but not be limited to: eligibility, market demand, feasibility
15 and funding criteria; the funding determination process; supervision and
16 evaluation of contracting applicants; reporting, budgeting and record-
17 keeping requirements; provisions for modification and termination of
18 contracts; and such other matters not inconsistent with the purposes and
19 provisions of this article as the corporation shall deem necessary or
20 appropriate.

21 2. The corporation shall consider applications from eligible projects
22 located in areas where property owners are unable to obtain multifamily
23 property insurance due to market constraints, including but not limited
24 to the absence of willing insurers or unaffordable premium levels. The
25 corporation may also establish a case-by-case review process for appli-
26 cants who: (a) cannot obtain reinsurance coverage necessary to secure
27 financing; or (b) operate in regions lacking a competitive insurance
28 market, as determined by market analysis or certified documentation from
29 licensed insurance brokers or agents.

30 3. The corporation may prioritize eligible projects with demonstrated
31 insurance access barriers, financial vulnerability, or other indicators
32 of critical need.

33 § 1304. Funding criteria. 1. The program may award up to two hundred
34 fifty dollars per proposed income-restricted housing unit and up to one
35 million dollars per proposed eligible project for housing insurance
36 coverage. The corporation shall establish criteria to determine eligi-
37 bility for such awards, which may include evidence of increased insur-
38 ance costs, market trends, or other relevant factors affecting afforda-
39 bility and project viability.

40 2. The corporation shall have the authority to adjust the maximum
41 award amounts set forth in this article, including the per-unit and
42 per-project caps, to account for inflation or significant changes in
43 market conditions. Any such adjustments shall be made in accordance with
44 a methodology established by the corporation, published in the state
45 register, and reported in the annual report required under section thir-
46 teen hundred six of this article.

47 § 1305. Funding. Subject to appropriations for this program, the
48 corporation in its sole discretion shall authorize all funding decisions
49 and make all award determinations.

50 § 1306. Annual report. The corporation shall, on or before June thir-
51 tieth in each year submit a report to the legislature and the governor
52 on the implementation of this article. Such report shall include, but
53 not be limited to, the number of applications received by the end of the
54 preceding calendar year, the total dollar amount of such applications,
55 and the disposition of such applications; and for each award made to a
56 grantee under this article, a description of such award, the contract

1 amount and cumulative total, and such other information as the corpo-
2 ration deems pertinent.

3 § 1307. Stakeholder advisory group. The corporation may convene a
4 stakeholder advisory group composed of representatives from affordable
5 housing development, insurance markets, nonprofit organizations, tenant
6 advocates, and local governments. The advisory group shall assist in
7 reviewing program implementation, equity considerations, and recommend
8 improvements to support long-term affordability and sustainability.

9 § 1308. Disposition upon expiration. Upon the expiration of this arti-
10 cle, the corporation shall continue to administer and enforce all
11 contracts, awards, and obligations entered into prior to such expiration
12 in accordance with their terms. Any unencumbered funds appropriated for
13 the purposes of this article that remain at the time of expiration shall
14 be returned to the state treasury or reallocated in a manner consistent
15 with legislative intent, as determined by the corporation in consulta-
16 tion with the division of the budget. The expiration of this article
17 shall not impair or affect the rights or obligations of any party under
18 any contract executed pursuant to this article prior to its repeal.

19 § 2. This act shall take effect on the first of January next succeed-
20 ing the date on which it shall have become a law and shall expire and
21 be deemed repealed twenty years after such effective date. Effective
22 immediately, the addition, amendment and/or repeal of any rule or regu-
23 lation necessary for the implementation of this act on its effective
24 date are authorized to be made and completed on or before such effective
25 date.