S T A T E O F N E W Y O R K

6399

2009-2010 Regular Sessions

I N A S S E M B L Y

March 3, 2009

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

AN ACT to amend the private housing finance law, in relation to creating a housing trust fund for individuals with limited resources

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

Section 1. The private housing finance law is amended by adding a new section 45-d to read as follows:

S 45-D. HOUSING TRUST FUND FOR INDIVIDUALS WITH LIMITED RESOURCES. 1. THERE IS HEREBY CREATED WITHIN THE AGENCY A HOUSING TRUST FUND FOR INDIVIDUALS WITH LIMITED RESOURCES.

2. THE TRUST FUND SHALL BE MANAGED BY A BOARD OF TRUSTEES. THE TRUSTEES SHALL INCLUDE: A REPRESENTATIVE OF THE GOVERNOR, WHO SHALL BE THE CHAIRPERSON OF THE BOARD; A MEMBER CHOSEN BY THE NEW YORK BANKERS ASSOCIATION; A MEMBER CHOSEN BY THE MORTGAGE BANKERS ASSOCIATION OF NEW YORK; AND THREE MEMBERS OF THE TARGET COMMUNITY, WHO SHALL BE CHOSEN BY THE OTHER TRUSTEES THROUGH MAJORITY VOTE. TRUSTEES SHALL NOT BE PAID FOR THEIR SERVICE TO THE TRUST, BUT SHALL BE REIMBURSED FOR ANY ACTUAL, NECESSARY EXPENSES.

3. THE BOARD SHALL HAVE THE POWER TO:

(A) ENTER INTO AGREEMENTS ON BEHALF OF THE TRUST;

(B) ISSUE DEBT AND OTHER SECURITIES IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION;

(C) INVEST THE MONEYS OF THE FUNDS;

(D) OPEN BANK ACCOUNTS AND INVESTMENT ACCOUNTS;

(E) BORROW MONEY;

(F) RECEIVE GIFTS AND DONATIONS;

(G) HOLD AND MANAGE ASSETS, INCLUDING REAL ESTATE AND OTHER ITEMS OF VALUE;

(H) HIRE ADMINISTRATIVE PERSONNEL AND INDEPENDENT CONTRACTORS, AS NEEDED, AND TO SET THEIR COMPENSATION; AND

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

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(I) SUE AND BE SUED.

4. THE TRUST SHALL BE FUNDED BY THE FOLLOWING SOURCES:

(A) INVESTMENTS BY FINANCIAL INSTITUTIONS;

(B) CAPITAL MARKET TRANSACTIONS;

(C) STATE AND PHILANTHROPIC FUNDING PROGRAMS;

(D) GRANTS, GIFTS, AND DONATIONS FROM PRIVATE INSTITUTIONS AND CITIZENS; AND

(E) OTHER CORPORATE AND INDIVIDUAL INVESTORS.

5. (A) THE TRUSTEES SHALL ISSUE TAX EXEMPT NOTES TO CITIZENS AND FINANCIAL INSTITUTIONS IN NEW YORK STATE. THE NET PROCEEDS OF SUCH OBLIGATIONS SHALL BE USED TO PURCHASE INVESTMENTS IN THE CAPITAL MARKET.

(B) THE TRUSTEES SHALL ISSUE TAX EXEMPT BONDS TO CITIZENS AND FINANCIAL INSTITUTIONS IN NEW YORK STATE. THE NET PROCEEDS OF SUCH BONDS SHALL BE INVESTED IN GRADE RATED CORPORATE OBLIGATIONS.

6. THE TRUSTEES SHALL ENSURE THAT ALL MEASURES ARE TAKEN TO COMPLY WITH FEDERAL REGULATIONS UNDER THE NATIONAL HOUSING TRUST FUND, SO THAT THE FUND MAY BE ELIGIBLE FOR MATCHING FUNDS FROM THE FEDERAL GOVERNMENT.

7. THE TRUSTEES SHALL ESTABLISH THE CRITERIA TO DETERMINE WHO IS ELIGIBLE TO RECEIVE FUNDING FROM THE TRUST, THE AMOUNT OF FUNDING EACH APPLICANT MAY RECEIVE, AND THE TYPE OF ASSISTANCE EACH APPLICANT MAY RECEIVE, SUCH AS A GRANT, LOAN, OR INTEREST-FREE MORTGAGE.

8. ALL ASSETS AND INCOME OF THE FUND SHALL BE EXEMPT FROM STATE TAXATION.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law.