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

2674

2011-2012 Regular Sessions

I N S E N A T E

January 28, 2011

Introduced by Sen. KRUGER -- 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 establishing a moratorium on voluntary dissolution of limited-profit housing companies

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

Section 1. Subdivision 2 of section 35 of the private housing finance law, as amended by chapter 229 of the laws of 1989, is amended to read as follows:

2. (A) A company aided by a loan made after May first, nineteen hundred fifty-nine, may voluntarily be dissolved, without the consent of the commissioner or of the supervising agency, as the case may be, not less than twenty years after the occupancy date upon the payment in full of the remaining balance of principal and interest due and unpaid upon the mortgage or mortgages and of any and all expenses incurred in effecting such voluntary dissolution.

(B) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (A) OF THIS SUBDIVISION, A COMPANY AIDED BY A LOAN MADE AFTER MAY FIRST, NINETEEN HUNDRED FIFTY-NINE, MAY NOT VOLUNTARILY BE DISSOLVED, OR EXPEND ANY FUNDS IN FURTHERANCE OF THE DISSOLUTION OF SAID COMPANY, WITHOUT THE CONSENT OF THE COMMISSIONER OR OF THE SUPERVISING AGENCY, AS THE CASE MAY BE, PRIOR TO JUNE THIRTIETH, TWO THOUSAND TWELVE.

S 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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