

853--A

2013-2014 Regular Sessions

I N   A S S E M B L Y

(PREFILED)

January 9, 2013

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Introduced by M. of A. ROSENTHAL, GOTTFRIED, BRENNAN, SEPULVEDA, RODRIGUEZ -- Multi-Sponsored by -- M. of A. MAYER -- read once and referred to the Committee on Judiciary -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the debtor and creditor law, in relation to bankruptcy exemptions for rent regulated tenancies

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

1     Section 1. Section 282 of the debtor and creditor law is amended by  
2     adding a new subdivision 4 to read as follows:  
3     4. BANKRUPTCY EXEMPTION FOR RENT REGULATED TENANCIES. THE DEBTOR'S  
4     INTEREST, NOT EXCEEDING ONE HUNDRED FIFTY THOUSAND DOLLARS, IN A RESI-  
5     DENTIAL RENT REGULATED TENANCY, HELD AND OCCUPIED BY THE JUDGMENT DEBTOR  
6     FOR A RENT REGULATED UNIT, REGULATED UNDER THE RENT STABILIZATION LAW OF  
7     NINETEEN HUNDRED SIXTY-NINE, THE EMERGENCY TENANT PROTECTION ACT OF  
8     NINETEEN SEVENTY-FOUR, THE EMERGENCY HOUSING RENT CONTROL LAW, THE  
9     LIMITED-PROFIT HOUSING COMPANIES ACT OR THE CITY RENT AND REHABILITATION  
10    LAW. THE EXEMPTION OF AN INTEREST IN A RENT REGULATED TENANCY IS NOT  
11    VOID BECAUSE THE VALUE OF THE PROPERTY EXCEEDS ONE HUNDRED FIFTY THOU-  
12    SAND DOLLARS, BUT THE PROCEEDS FROM THE ASSUMPTION AND ASSIGNMENT OF  
13    SUCH AN INTEREST SHALL ONLY BE AVAILABLE FOR DISTRIBUTION TO CREDITORS  
14    BY THE TRUSTEE TO THE EXTENT THOSE PROCEEDS EXCEED ONE HUNDRED FIFTY  
15    THOUSAND DOLLARS. DEBTORS FILING A JOINT BANKRUPTCY MAY AGGREGATE THEIR  
16    EXEMPTIONS TO EXEMPT THE FIRST THREE HUNDRED THOUSAND DOLLARS OF  
17    PROCEEDS FROM ANY TRUSTEE ACTION AGAINST A RENT REGULATED TENANCY.  
18    S 2. This act shall take effect immediately and shall apply to the  
19    satisfaction of judgments on or after such date.

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

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