

4400

2013-2014 Regular Sessions

I N S E N A T E

March 26, 2013

Introduced by Sen. YOUNG -- (at request of the Division of Housing & Community Renewal) -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend chapter 514 of the laws of 1983, amending the private housing finance law and the real property tax law relating to the powers of the New York state housing finance agency to finance certain multi-family housing; to amend chapter 396 of the laws of 1984, amending the private housing finance law and the real property tax law relating to the powers of the New York state housing finance agency to finance certain multi-family housing, in relation to the effectiveness of such chapters; to amend chapter 915 of the laws of 1982, amending the public authorities law relating to the powers of the state of New York mortgage agency, in relation to the effective date thereof; to amend the public authorities law, in relation to the powers of the state of New York mortgage agency; to amend chapter 555 of the laws of 1989, amending the public authorities law and other laws relating to establishing a New York state infrastructure trust fund, in relation to the effective date thereof; and to amend chapter 172 of the laws of 2002, amending the public authorities law relating to the powers of the state of New York mortgage agency, in relation to extending the provisions thereof

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

1 Section 1. Section 6 of chapter 514 of the laws of 1983, amending the
2 private housing finance law and the real property tax law relating to
3 the powers of the New York state housing finance agency to finance
4 certain multi-family housing, as amended by chapter 100 of the laws of
5 2011, is amended to read as follows:

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

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1 S 6. This act shall take effect immediately and shall remain in full
2 force and effect until July 23, [2013] 2015 at which time it shall be
3 repealed.

4 S 2. Section 7 of chapter 396 of the laws of 1984, amending the
5 private housing finance law and the real property tax law relating to
6 the powers of the New York state housing finance agency to finance
7 certain multi-family housing, as amended by chapter 100 of the laws of
8 2011, is amended to read as follows:

9 S 7. This act shall take effect immediately, except that sections one,
10 three, four, five and six of this act shall remain in full force and
11 effect until July 23, [2013] 2015 at which time such sections shall be
12 repealed.

13 S 3. Section 16 of chapter 915 of the laws of 1982, amending the
14 public authorities law relating to the powers of the state of New York
15 mortgage agency, as amended by chapter 100 of the laws of 2011, is
16 amended to read as follows:

17 S 16. This act shall take effect immediately except that the amend-
18 ments to law effected by sections one through ten of this act, as
19 amended, shall cease to be of force and effect on and after July 23,
20 [2013] 2015, on which date the provisions of the public authorities law
21 amended by such sections shall be as they were in force and effect imme-
22 diately prior to this act taking effect.

23 S 4. Section 2407 of the public authorities law, as amended by chapter
24 100 of the laws of 2011, is amended to read as follows:

25 S 2407. Bond limits. (1) Except for notes issued in nineteen hundred
26 seventy and nineteen hundred seventy-one, the agency shall not issue
27 bonds and notes, the interest on which is not included in the gross
28 income of the holders of the bonds and notes under the United States
29 Internal Revenue Code of 1986, as amended, or any subsequent correspond-
30 ing internal revenue law of the United States, in an aggregate principal
31 amount exceeding ten billion two hundred twenty million dollars, exclud-
32 ing from such limitation (a) an amount equal to any original issue
33 discount from the principal amount of any bonds or notes issued, (b)
34 bonds and notes issued to refund outstanding bonds and notes, and (c)
35 bonds and notes not described in paragraph (b) of this subdivision
36 issued to refund outstanding bonds and notes in accordance with the
37 provisions of the Internal Revenue Code of 1986 or the Tax Reform Act of
38 1986, as amended, where such bonds or notes are not included in the
39 statewide volume cap on private purpose bonds under section 146 of such
40 code provided, however, that upon any refunding pursuant to this para-
41 graph or paragraph (b) of this subdivision, such exclusion shall apply
42 only to the extent that the amount of the refunding bonds or notes does
43 not exceed (i) the outstanding amount of the refunded bonds or notes,
44 plus (ii) to the extent permitted by applicable federal tax law, costs
45 of issuance of the refunding bonds or notes to be financed from the
46 proceeds of the refunding bonds or notes. No such bond or note shall be
47 issued by the agency on or after July twenty-third, two thousand [thir-
48 teen] FIFTEEN, excluding bonds and notes issued to refund outstanding
49 bonds and notes. No more than five hundred million dollars of proceeds
50 of bonds or notes issued by the agency pursuant to this subdivision
51 shall be used for mortgage purposes by blending with proceeds of bonds
52 issued pursuant to subdivision two of this section.

53 (2) In connection with the issuance of bonds for the purpose of
54 furthering programs described in this title, the agency is authorized to
55 covenant and consent that the interest on any of its bonds, notes or
56 other obligations shall be includable, under the United States Internal

1 Revenue Code of 1986, as amended or any subsequent corresponding inter-
2 nal revenue law of the United States, in the gross income of the holders
3 of the bonds to the same extent and in the same manner that the interest
4 on bills, bonds, notes or other obligations of the United States is
5 includable in the gross income of the holders thereof under said Inter-
6 nal Revenue Code or any such subsequent law. Pursuant to this subdivi-
7 sion, the agency shall not issue bonds, notes or other obligations in an
8 aggregate principal amount exceeding eight hundred million dollars,
9 excluding from such limitation bonds, notes or other obligations issued
10 to refund outstanding bonds, notes or other obligations. No such bond,
11 note or other obligation shall be issued by the agency on or after July
12 twenty-third, two thousand [thirteen] FIFTEEN, excluding bonds, notes or
13 other obligations issued to refund outstanding bonds, notes or other
14 obligations and no mortgages shall be purchased with the proceeds of
15 such bonds, notes or other obligations after such date. The board of
16 directors of the agency shall establish program guidelines for purposes
17 of bonds, notes or other obligations issued pursuant to this subdivi-
18 sion. The board of directors shall establish from time to time maximum
19 income limits of persons eligible to receive mortgages financed by
20 bonds, notes or other obligations issued pursuant to this subdivision,
21 which income limits with respect to one-third of the total principal
22 amount of mortgages authorized to be so financed shall not exceed one
23 hundred twenty-five percent of the latest maximum income limits permit-
24 ted under the Internal Revenue Code of 1986, as amended, for mortgagors
25 financed by mortgage revenue bonds, with respect to one-third of such
26 principal amount authorized to be so financed, shall not exceed one
27 hundred thirty-five percent of such income limits, and with respect to
28 one-third of such principal amount authorized to be so financed, shall
29 not exceed one hundred fifty percent of such limits.

30 (3) The fixing of the statutory maximums in this section shall not be
31 construed as constituting a contract between the agency and the holders
32 of its bonds or notes that additional bonds and notes may not be issued
33 subsequently by the agency in the event that such statutory maximums
34 shall subsequently be increased by law.

35 S 5. Section 19 of chapter 555 of the laws of 1989, amending the
36 public authorities law and other laws relating to establishing a New
37 York state infrastructure trust fund, as amended by chapter 100 of the
38 laws of 2011, is amended to read as follows:

39 S 19. This act shall take effect immediately and shall be deemed to
40 have been in full force and effect on and after June 15, 1989 provided
41 that the amendments to law effected by sections six and nine through
42 seventeen of this act, as amended, shall cease to be of force and effect
43 on and after July[,] 23 [2013], 2015, on which date the provisions of
44 the public authorities law amended by such sections shall be as they
45 were in force and effect immediately prior to this act taking effect,
46 and provided however that the amendments to law effected by sections six
47 and nine through seventeen of this act, as amended, shall continue to
48 apply to all commitments issued or policies or development corporation
49 credit support in force on or before July 23, [2013] 2015, and provided
50 further that the amendments to section 2429-b of the public authorities
51 law made by section 13 of chapter 3 of the laws of 2004 which amended
52 this section shall not cease to be of force and effect prior to the time
53 that full payment of all development corporation credit support obli-
54 gations has been made or provided for.

55 S 6. Section 2 of chapter 172 of the laws of 2002, amending the public
56 authorities law relating to the powers of the state of New York mortgage

1 agency, as amended by chapter 100 of the laws of 2011, is amended to
2 read as follows:

3 S 2. This act shall take effect immediately and shall remain in full
4 force and effect until July 23, [2013] 2015, whereupon such date the
5 provisions of this act shall expire and be deemed repealed.

6 S 7. This act shall take effect immediately.