

10668

I N A S S E M B L Y

June 10, 2016

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Gjonaj, Wright) -- read once and referred to the Committee on Housing

AN ACT to amend the private housing finance law and the public authorities law, in relation to providing an increase in bond and note authorization

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

1 Section 1. Paragraph (c) of subdivision 1 of section 47 of the private
2 housing finance law, as amended by chapter 85 of the laws of 2015, is
3 amended to read as follows:

4 (c) The agency shall not issue bonds and notes other than state
5 university construction bonds and state university construction notes,
6 hospital and nursing home project bonds and hospital and nursing home
7 project notes, health facilities bonds and health facilities notes,
8 youth facilities project bonds and youth facilities project notes,
9 community mental health services and mental retardation services project
10 bonds and community mental health services and mental retardation
11 services project notes, community senior citizens services project notes
12 or community senior citizens services project bonds and mental hygiene
13 improvement bonds and mental hygiene improvement notes and bonds and
14 notes for the housing program for any of its corporate purposes in an
15 aggregate principal amount exceeding [twenty-one] TWENTY-FOUR billion
16 [seven] TWO hundred eighty million dollars, excluding bonds and notes
17 issued to refund outstanding bonds and notes.

18 S2. Subdivision 2 of section 2407 of the public authorities law, as
19 amended by chapter 85 of the laws of 2015, is amended to read as
20 follows:

21 (2) In connection with the issuance of bonds for the purpose of
22 furthering programs described in this title, the agency is authorized to
23 covenant and consent that the interest on any of its bonds, notes or
24 other obligations shall be includable, under the United States Internal
25 Revenue Code of 1986, as amended or any subsequent corresponding inter-
26 nal revenue law of the United States, in the gross income of the holders
27 of the bonds to the same extent and in the same manner that the interest

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

LBD14180-05-6

1 on bills, bonds, notes or other obligations of the United States is
2 includable in the gross income of the holders thereof under said Inter-
3 nal Revenue Code or any such subsequent law. Pursuant to this subdivi-
4 sion, the agency shall not issue bonds, notes or other obligations in an
5 aggregate principal amount exceeding [eight hundred million] ONE BILLION
6 dollars, excluding from such limitation bonds, notes or other obli-
7 gations issued to refund outstanding bonds, notes or other obligations.
8 No such bond, note or other obligation shall be issued by the agency on
9 or after July twenty-third, two thousand seventeen, excluding bonds,
10 notes or other obligations issued to refund outstanding bonds, notes or
11 other obligations and no mortgages shall be purchased with the proceeds
12 of such bonds, notes or other obligations after such date. The board of
13 directors of the agency shall establish program guidelines for purposes
14 of bonds, notes or other obligations issued pursuant to this subdivi-
15 sion. The board of directors shall establish from time to time maximum
16 income limits of persons eligible to receive mortgages financed by
17 bonds, notes or other obligations issued pursuant to this subdivision,
18 which income limits with respect to one-third of the total principal
19 amount of mortgages authorized to be so financed shall not exceed one
20 hundred twenty-five percent of the latest maximum income limits permit-
21 ted under the Internal Revenue Code of 1986, as amended, for mortgagors
22 financed by mortgage revenue bonds, with respect to one-third of such
23 principal amount authorized to be so financed, shall not exceed one
24 hundred thirty-five percent of such income limits, and with respect to
25 one-third of such principal amount authorized to be so financed, shall
26 not exceed one hundred fifty percent of such limits, PROVIDED THAT
27 NOTWITHSTANDING THE FOREGOING, THE MAXIMUM INCOME LIMITS OF PERSONS
28 ELIGIBLE TO RECEIVE MORTGAGES FINANCED BY THE AGENCY UNDER ITS NEIGHBOR-
29 HOOD REVITALIZATION PROGRAM (AND ANY SUCCESSOR PROGRAM) SHALL NOT EXCEED
30 ONE HUNDRED FIFTY PERCENT OF THE LATEST MAXIMUM INCOME LIMITS PERMITTED
31 UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, FOR MORTGAGORS
32 FINANCED BY MORTGAGE REVENUE BONDS.

33 S 3. This act shall take effect immediately.