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

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:

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

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

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

(2) In connection with the issuance of bonds for the purpose of furthering programs described in this title, the agency is authorized to covenant and consent that the interest on any of its bonds, notes or other obligations shall be includable, under the United States Internal Revenue Code of 1986, as amended or any subsequent corresponding internal revenue law of the United States, in the gross income of the holders 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.

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on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders thereof under said Internal Revenue Code or any such subsequent law. Pursuant to this subdivision, the agency shall not issue bonds, notes or other obligations in an aggregate principal amount exceeding [eight hundred million] ONE BILLION dollars, excluding from such limitation bonds, notes or other obligations issued to refund outstanding bonds, notes or other obligations. No such bond, note or other obligation shall be issued by the agency on or after July twenty-third, two thousand seventeen, excluding bonds, notes or other obligations issued to refund outstanding bonds, notes or other obligations and no mortgages shall be purchased with the proceeds of such bonds, notes or other obligations after such date. The board of directors of the agency shall establish program guidelines for purposes of bonds, notes or other obligations issued pursuant to this subdivision. The board of directors shall establish from time to time maximum income limits of persons eligible to receive mortgages financed by bonds, notes or other obligations issued pursuant to this subdivision, which income limits with respect to one-third of the total principal amount of mortgages authorized to be so financed shall not exceed one hundred twenty-five percent of the latest maximum income limits permitted under the Internal Revenue Code of 1986, as amended, for mortgagors financed by mortgage revenue bonds, with respect to one-third of such principal amount authorized to be so financed, shall not exceed one hundred thirty-five percent of such income limits, and with respect to one-third of such principal amount authorized to be so financed, shall not exceed one hundred fifty percent of such limits, PROVIDED THAT NOTWITHSTANDING THE FOREGOING, THE MAXIMUM INCOME LIMITS OF PERSONS ELIGIBLE TO RECEIVE MORTGAGES FINANCED BY THE AGENCY UNDER ITS NEIGHBORHOOD REVITALIZATION PROGRAM (AND ANY SUCCESSOR PROGRAM) SHALL NOT EXCEED ONE HUNDRED FIFTY PERCENT OF THE LATEST MAXIMUM INCOME LIMITS PERMITTED UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, FOR MORTGAGORS FINANCED BY MORTGAGE REVENUE BONDS.

S 3. This act shall take effect immediately.