STATE OF NEW YORK

433

2017-2018 Regular Sessions

IN SENATE

(Prefiled)

January 4, 2017

Introduced by Sen. PERALTA -- 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 enacting the "home mortgage bridge loan assistance act of 2017"; and to amend the state finance law, in relation to establishing the home mortgage bridge loan assistance fund

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The private housing finance law is amended by adding a new article 28 to read as follows:

ARTICLE 28

HOME MORTGAGE BRIDGE LOAN ASSISTANCE

Section 1250. Short title.
1251. Legislative findings and purpose.
1252. Definitions.
1253. Home mortgage bridge loan assistance.
1254. Notice, timing and stay of proceeding requirements.
1255. Eligibility.
1256. Temporary payments of assistance.

§ 1250. Short title. This article shall be known and may be cited as the "home mortgage bridge loan assistance act of 2017".

§ 1251. Legislative findings and purpose. (1) Findings. The legislature hereby finds and declares that:

(a) this state and the United States have experienced the collapse of a sizeable primary and secondary real estate market bubble which few foresaw and many now suffer the wealth destructive effects of;

(b) this state and the United States are in consequence now suffering an economic slowdown as consumers trim spending and concentrate upon

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

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paying down debt, while financial institutions and other business firms trim investment expenditures pending a return of consumer spending;

(c) the economic slowdown afflicting this state and the United States has driven large numbers of residents into temporary involuntary unemployment or underemployment, thereby lowering incomes, spending and investment yet further, while rendering debt payment correspondingly more difficult for many;

(d) there is in consequence a danger that many otherwise credit worthy homeowners' capacity to remain current on mortgage payments will deteriorate yet further, resulting in widespread default, multiple costly foreclosure proceedings, distress sales of homes, consequent further distress to financial institutions' balance sheets and solvency, growing rates of avoidable homelessness, and significant deterioration of abandoned housing stock and neighborhoods;

(e) foreclosed homes, abandoned housing stock and consequently deteriorating buildings and neighborhoods not only detrimentally affect those who needlessly lose their homes and the neighborhoods in which they reside, but also drain wealth from otherwise healthy lending institutions and non-distressed home mortgage borrowers, thereby harming the health of the broader economy yet further;

(f) while the current economic crisis demands immediate action to avoid unnecessary foreclosures, help revitalize and stabilize our communities and reinvigorate mortgage lending, business cycles are part of the economic fabric of the state and the nation and therefore, a temporary bridge loan mortgage payment assistance program would benefit home mortgage borrowers, lenders and neighborhoods not only in the current downturn, but also in future conventional economic downturns;

(g) empirical evidence reveals that many temporarily troubled mortgage borrowers prove able to retain their homes and pay off their mortgages without modification when offered bridge loan assistance until broader economic conditions improve, thereby staving off growing default, foreclosure, homelessness and neighborhood deterioration rates, as well as yet further worsening of economic conditions;

(h) temporary bridge loan mortgage assistance programs have accordingly proved highly successful in cost effectively limiting foreclosure rates and attendant economic and social ills in several states, most notably in Pennsylvania, Connecticut, Maryland and Nevada; and

(i) a temporary bridge loan mortgage payment assistance program is highly likely to redound in a cost effective manner to the benefit of home mortgage borrowers, lenders, neighborhoods, and the broader public of this state.

2. Purpose. The legislature declares that the purpose of this article shall be to establish a program to afford bridge loan assistance to home mortgage debtors facing temporary difficulties in remaining current on mortgage loan payments through no fault of their own so as to avoid many avoidable public and private ills.

§ 1252. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Commissioner" means the commissioner of housing and community renewal.

2. "Division" means the division of housing and community renewal.

3. "Event" means a qualifying financial hardship beyond the mortgagor's control as defined in paragraph (a) of subdivision three of section twelve hundred fifty-three of this article.

4. "Gross household income" means the sum of the incomes of the applicant, his or her spouse and children residing in the same household as

the applicant, as well as the incomes of any other residents of the household declared by the applicant to be dependents for federal personal income taxation purposes. Included in such term are all forms of monetary assistance received by such members of the applicant's household.

5. "Net effective income" means an applicant's gross household income less local, state and federal income and social security taxes.

6. "Total housing expenses" means the sum of the mortgagor's monthly mortgage payments, including escrows, utility costs, property hazard insurance premiums, real property taxes and homeowner's fees imposed for the maintenance of any common areas.

§ 1253. Home mortgage bridge loan assistance. 1. Authority. (a) The commissioner shall establish, within the division, a program to afford temporary supplemental mortgage payments of approved mortgagors. Such program shall be called the "home mortgage bridge loan assistance program". The assistance provided pursuant to this article shall be called "home mortgage bridge loan assistance".

(b) The commissioner shall promulgate such rules and forms as shall be necessary to implement the provisions of this article, and shall publish and enforce such rules.

(c) The aggregate amount of home mortgage bridge loan assistance provided to any mortgagor shall not exceed sixty thousand dollars, or extend beyond twenty-four or thirty-six months, and shall ultimately be recovered from beneficiaries after their employment resumes, as provided pursuant to this article.

(d) The division is authorized to provide home mortgage bridge loan assistance pursuant to this article only at such time as funds have been appropriated or made available for the home mortgage bridge loan assistance program.

2. Eligible mortgages. Except as otherwise provided in subdivision four of section twelve hundred fifty-four of this article the division shall make home mortgage bridge loan assistance available for the payment of mortgages only on one, two, three and four family residences and for single family residences in condominiums, housing cooperatives or manufactured homes in connection with which:

(a) the mortgaged property is the mortgagor's principal place of residence;

(b) the mortgaged property is located in this state;

(c) the mortgagor, prior to the occurrence of an event had a total pre-event income that was less than one hundred twenty percent of the median family income for the metropolitan statistical area or statewide nonmetropolitan area where the property is located, as most recently determined and published by the department of housing and urban development;

(d) the mortgagor does not own other residential property that is subject to a mortgage lien;

(e) the mortgagee has given the mortgagor notice, pursuant to section twelve hundred fifty-four of this article, that it intends to foreclose on the mortgage;

(f) the mortgagor has applied to the division for assistance pursuant to section twelve hundred fifty-five of this article;

(g) at least two full monthly installments due upon the mortgagor's mortgage remain unpaid after application of any partial payments that might have been accepted by the mortgagee but not yet applied to the mortgagor's account;

(h) the mortgagor is suffering temporary financial hardship owing to circumstances beyond his or her control, as defined in subdivision three of this section, which renders the mortgagor unable to bring his or her account current within the sixty day period commencing with receipt of the mortgagee's notice of intention to foreclose;

(i) the mortgagor has not been more than sixty days delinquent on a residential mortgage within the five-year interval preceding the delinquency or the filing for unemployment insurance under subdivision four of section twelve hundred fifty-four of this article in connection with which assistance is requested of the division, unless the mortgagor demonstrates that the prior delinquency also resulted from an event; and

(j) there is a reasonable likelihood that the mortgagor will be able to resume full mortgage payments not later than twenty-four months (or not later than thirty-six months, in periods of high unemployment, as determined from time-to-time by the commissioner) after the commencement of home mortgage bridge loan assistance payments by the division to the mortgagee, and that the mortgagor will pay the mortgage in full either by its maturity date or by a later date agreed to with the mortgagee.

3. Temporary financial hardship beyond control of mortgagor. The commissioner shall determine whether that financial hardship which impedes timely mortgage payment may be temporary and beyond the control of the mortgagor by reference to verified impediments.

(a) Qualifying financial hardship beyond the mortgagor's control. Circumstances beyond the mortgagor's control, not including termination from paid employment, which result in financial hardship to the mortgagor include:

(i) involuntary loss of employment by the mortgagor;

(ii) involuntary reduction of salary, wage or other earnings on the part of the mortgagor; or

(iii) any other financial hardship determined by regulation to be beyond the mortgagor's control.

(b) Determination as to whether financial hardship may be temporary. Factors that the commissioner shall consider when evaluating whether the mortgagor has a reasonable prospect of resuming full mortgage payments within twenty-four or thirty-six months, from the commencement of home mortgage bridge loan assistance payments, and of being able to pay the mortgage in full by maturity or by a later date agreed to by the mortgagee include:

(i) prior work history, experience, training, opportunities for retraining and similar factors which may affect future employment opportunities;

(ii) debt reduction or other income changes sufficient to enable the mortgagor to resume full mortgage payments;

(iii) noncash benefits that may reduce household expenses, such as food stamps or free medical services for military or low-income families;

(iv) changes in income or recurring expenses that may be affected by changes in the age, composition or employment of members of the household;

(v) potential for repayment of short-term or installment debt;

(vi) delinquencies in other debts which seriously jeopardize continued ownership of the home, which cannot be cured by a mortgage assistance loan;

(vii) a favorable work and credit history;

(viii) a history of timely mortgage payments when employed;

(ix) lack of an impediment or disability that prevents reemployment;

(x) evidence that the mortgagor is actively seeking work; and

(xi) any other consideration determined by the commissioner to be relevant to evaluating whether the mortgagor's financial hardship is temporary.

§ 1254. Notice, timing and stay of proceeding requirements. 1. Requirements. No mortgagee or agent thereof, or any mortgage servicer, may accelerate any eligible mortgage obligation as defined in subdivision two of section twelve hundred fifty-three of this article, or commence any legal action, including mortgage foreclosure, to recover on such obligation, or take possession of any security of the mortgagor for such mortgage obligation, until: (a) the mortgagor is notified as prescribed in subdivision two of this section, pursuant to such form and in such manner as the commissioner shall prescribe by rule; and (b) the commissioner has made a determination not to extend home mortgage bridge loan assistance, or until the applicable time periods prescribed in subdivisions two and three of this section have expired, whichever is earlier.

2. Timing and notice requirements. (a) Timing. No mortgagee or agent thereof, or any mortgage servicer, may accelerate any eligible mortgage obligation as defined in subdivision two of section twelve hundred fifty-three of this article, or commence any legal action, including mortgage foreclosure, to recover on such obligation, or take possession of any security of the mortgagor for such mortgage obligation, until the mortgagor is at least sixty days contractually delinquent in making his or her mortgage payments, or in violation of some other contractual provision of such mortgage.

(b) Notice. Any mortgagee or agent thereof, or any mortgage servicer, before accelerating any eligible mortgage obligation as defined in subdivision two of section twelve hundred fifty-three of this article, or commencing any legal action, including mortgage foreclosure, to recover on such obligation, or taking possession of any security of the mortgagor for such mortgage obligation, shall, in addition to complying with the requirements prescribed in subdivision one of this section and paragraph (a) of this subdivision, comply with the following notice requirements:

(i) notice shall be given by a uniform notice form, application form and by any other documentation concerning home mortgage bridge loan assistance, to be prepared by the commissioner;

(ii) the notice, which may be provided by (A) first class mail or (B) in any other manner agreed to by the mortgagor in writing, shall advise the mortgagor of his or her delinquency or other default under the mortgage;

(iii) the notice shall advise the mortgagor that he or she has thirty calendar days from the date of the notice to meet face-to-face with a designated consumer credit counseling agency designated by the commissioner, with a view to resolving the delinquency or default by restructuring the loan payment schedule or in some other manner through negotiations with the mortgagee or its servicer or other agent who has sent the notice; and

(iv) the notice shall advise the mortgagor that, should he or she be unable to resolve the delinquency or default within thirty calendar days of the first contact made with the consumer counseling agency, and wish to be considered for home mortgage bridge loan assistance pursuant to this article, he or she must apply for such assistance no later than ten calendar days from the end of said thirty day period, to the division at

either an address, including an email address, or a telephone number, both to be provided in the notice itself, to be considered.

3. Mortgagor's receipt of default notice. (a) The consumer credit counseling agency shall promptly notify any and all mortgagees secured by the mortgagor's real property of the date that first contact was made with the consumer counseling agency by the mortgagor and that the mortgagor is acting pursuant to the procedures stipulated in this section.

(b) No mortgagee notified pursuant to paragraph (a) of this subdivision shall commence or continue any legal proceeding against the mortgagor's real property for at least ten calendar days from the end of the thirty day period that commences from the first contact the mortgagor makes with a credit counseling agency as stated in such notice.

(c) Should the mortgagor apply for home mortgage bridge loan assistance pursuant to subparagraph (iv) of paragraph (b) of subdivision two of this section, the commissioner shall make a determination of eligibility or non-eligibility within sixty calendar days of receipt of the application. Upon receipt of the application, the commissioner also shall promptly inform any and all mortgagees secured by the mortgagor's real property that an application has been received pursuant to this article, and shall inform the same of both the date of receipt and the prohibition stated in paragraph (d) of this subdivision.

(d) During the period over which a mortgagor's application made to the division pursuant to this article is pending, no mortgagee shall commence or continue any foreclosure or related legal action upon its mortgage with the mortgagor.

(e) If (i) the mortgagor fails to meet with a designated consumer credit counseling agency within the designated time period prescribed by subparagraph (iii) of paragraph (b) of subdivision two of this section; (ii) the mortgagor does not apply for home mortgage bridge loan assistance within the time period prescribed by subparagraph (iv) of paragraph (b) of subdivision two of this section; or (iii) the mortgagor's application pursuant to this subdivision is denied, then the mortgagee may take any legal actions that are available to enforce the mortgage, free of the requirements of this article.

4. Other eligible mortgages. (a) Any mortgagor who files for unemployment insurance with the department of labor shall receive a notice from such department stating that he or she may be eligible for home mortgage bridge loan assistance pursuant to this article.

(b) Such notice shall be given by a uniform notice prescribed by the commissioner.

(c) The notice shall describe the purpose of the home mortgage bridge loan assistance program, include an application for home mortgage bridge loan assistance and notify the filer that he or she may consult with a consumer credit counseling agency with a view to applying for home mortgage bridge loan assistance.

(d) Notwithstanding the conditions for home mortgage bridge loan assistance eligibility prescribed by this article, a mortgagor who is not contractually in default on his or her mortgage loan and who is faced with an event, may apply for home mortgage bridge loan assistance on a form prescribed by the commissioner which includes the information prescribed in subdivision one of section twelve hundred fifty-five and section twelve hundred fifty-six of this article.

(e) The division shall make a determination of eligibility within sixty calendar days of receipt of the application.

(f) Should the mortgagor's application for home mortgage bridge loan assistance be denied, the mortgagor may reapply pursuant to this subdi-

vision for such assistance not less than six months from the date of such determination, unless there is a material change of circumstances.

§ 1255. Eligibility. 1. Eligible mortgagors. With the partial exception of cases covered by subdivision four of section twelve hundred fifty-four of this article, home mortgage bridge loan assistance shall be made available to a mortgagor only when all of the following conditions are met:

(a) the mortgagor is a permanent resident of this state;

(b) the property securing the mortgage is (i) located in this state; (ii) a one-to-four-family owner-occupied residence or a single-family residence in a condominium, housing cooperative or manufactured home; and (iii) the primary residence of the mortgagor;

(c) a mortgagee has announced to the mortgagor its intention to foreclose upon the mortgage, or payment on the mortgage has been contractually delinquent for sixty or more days;

(d) the mortgagee is not prohibited by law from foreclosing upon the mortgage;

(e) the mortgagor is faced with financial hardship beyond his or her control which either (i) prevents his or her correcting the delinquency within a reasonable period of time and bringing the mortgage current; or (ii) as determined by the commissioner after reviewing the mortgagor's financial condition pursuant to subparagraph (ii) of paragraph (f) of this subdivision, may cause the mortgagor to become at least sixty days delinquent on his or her mortgage absent the liquidation of any part of the mortgagor's assets;

(f) the mortgagor has applied to the division for home mortgage bridge loan assistance upon an application form developed by the commissioner, which form shall include:

(i) a financial statement disclosing all assets and liabilities of the mortgagor whether singly or jointly held, and all household income irrespective of source;

(ii) a statement of financial hardship, supported by such documentation as the commissioner shall prescribe, detailing how either condition stated in subparagraph (i) or (ii) of paragraph (e) of this subdivision is satisfied;

(iii) a statement of prior mortgage credit history, supported by such documentation as the commissioner shall prescribe, indicating that the mortgagor either has enjoyed a favorable mortgage credit history over the previous five years, or that any want of such history is itself attributable to financial hardship as can be established by a statement of financial hardship as described in subparagraph (ii) of this paragraph;

(iv) a statement of prior education, employment, income and credit history, supported by such documentation as the commissioner shall prescribe, tending to show a reasonable likelihood that the mortgagor will be able to resume full mortgage payments within twenty-four months (or not later than thirty-six months, in periods of high unemployment, as determined from time-to-time by the commissioner) after commencement of home mortgage bridge loan assistance payments pursuant to this article, and pay the mortgage in full either by its maturity date or by a later date agreed by the mortgagor and the mortgagee; and

(v) any other information deemed necessary by the commissioner to determine eligibility for home mortgage bridge loan assistance pursuant to this act; and

(g) the commissioner has determined that the criteria established in this subdivision, and any procedural requirements that have been promulgated, have been satisfied.

2. Waiver of requirements. The commissioner is authorized to waive noncompliance with the criteria in subdivision one of this section to the extent that such waiver is consistent with the state administrative procedure act, is not inconsistent with the purpose of this article and is supported by equitable principles.

3. Reapplication. Should the commissioner determine that any of the criteria elaborated in subdivision one of this section are not met, the mortgagor may reapply for home mortgage bridge loan assistance not before six months from the date of such determination, unless there is a material change of circumstances. Nothing in this subdivision shall prohibit a mortgagee from commencing legal action to enforce the mortgage prior to reapplication by the mortgagor.

4. Misrepresentation in application form. An applicant who misrepresents any information provided in connection with an application for home mortgage bridge loan assistance may be denied such assistance, or be required immediately to return any such assistance proffered on the basis of such misrepresentation; and the mortgagee may, any time thereafter, take any legal action to enforce the mortgage free of any further restriction imposed by this act.

§ 1256. Temporary payments of assistance. 1. Initial payment of arrearages. Should the commissioner determine a mortgagor to be eligible for home mortgage bridge loan assistance pursuant to section twelve hundred fifty-five of this article, the division shall directly pay any mortgagee secured by the mortgagor's real estate such amounts as are necessary to bring the mortgage current, without regard to any acceleration of the debt under the mortgage. In the alternative, the division shall pay to the mortgagee any alternate mortgage payments agreed by the mortgagee and mortgagor. In addition, the division shall pay reasonable costs incurred by the mortgagee prior to the division's grant of home mortgage bridge loan assistance to the mortgagor.

2. Mortgage payments subsequent to initial payment of arrearages. After the division has paid any and all arrearages pursuant to subdivision one of this section, the division shall make monthly mortgage assistance payments to the mortgagee on behalf of the mortgagor, and shall collect monthly payments from the mortgagor in amounts determined pursuant to the following formula: the mortgagor's monthly payments to the division to cover the mortgagor's share of total housing expense shall be in an amount that does not exceed forty percent of the mortgagor's net effective income. The mortgagor's payments to the division shall be made at least seven days prior to the due date of each mortgage payment to the mortgagee, and upon receipt thereof the division shall send the full mortgage payment directly to the mortgagee.

3. Mortgage bridge loan assistance payments as loans. (a) The amount by which the sum of any home mortgage bridge loan assistance payments made by the division to mortgagees exceeds the sum of payments made by the mortgagor to the division, plus any amounts paid by the division to the mortgagee under subdivision one of this section, shall constitute a loan extended by the division to the mortgagor. Such loan shall be evidenced by such documents as the commissioner shall determine. It shall also be secured, and subject to repayment with interest, as described in paragraphs (b) and (c) of this subdivision.

(b) Repayment of home mortgage bridge loan assistance shall be secured by a mortgage lien on the mortgaged property and by such other obli-

gations as the commissioner may require. The priority of any such lien obtained by the division pursuant to this article shall be determined in the same manner as the lien of a general secured creditor of the mortgagor. Neither this lien nor any other security interest taken by the division shall be deemed to take priority over any other secured lien or secured interest in effect against the mortgagor's property on the date that home mortgage bridge loan assistance payments commence. The commissioner may allow subordination of the home mortgage bridge loan assistance lien if necessary to enable the mortgagor to obtain a home improvement loan necessary to preserve the value of the property.

(c) Upon approval of an application for home mortgage bridge loan assistance, the division shall enter into an agreement with the mortgagor for repayment of all such assistance provided by the division, with interest, as follows:

(i) if forty percent of the mortgagor's net effective income equals an amount that is greater than total housing expense, that amount shall be paid to the division, unless otherwise determined by the commissioner after examination of the mortgagor's financial circumstances and ability to contribute to repayment of the assistance;

(ii) if forty percent of the mortgagor's net effective income equals an amount that is less than total housing expense, repayment of home mortgage bridge loan assistance shall be deferred until forty percent of the mortgagor's net effective income equals an amount that is greater than total housing expense;

(iii) the commissioner shall establish procedures for periodic review of a mortgagor's total housing expense and net effective income with a view to determining payment amounts that are due to the division pursuant to this section;

(iv) if repayment of home mortgage bridge loan assistance has not been made by the date that any mortgage has been paid, the mortgagor shall make home mortgage bridge loan assistance repayments in an amount not less than the mortgage payments until the assistance is repaid;

(v) interest shall accrue upon all home mortgage bridge loan assistance payments made by the division on behalf of the mortgagor at a rate per annum that is equal to the state's cost of funding or at some other rate per annum which takes into consideration other relevant funding costs, as determined by the commissioner. Interest shall accrue from the time the mortgagor commences repayment under this section, and shall accrue only during the period over which the mortgagor is required to make such repayment. When any mortgage for which home mortgage bridge loan assistance payments are made is paid, interest shall then accrue on all such assistance due and owing at the same rate and on the same basis as the mortgage for which the assistance payments were made; and

(vi) all moneys received from mortgagors for repayment of home mortgage bridge loan assistance shall be deposited in the home mortgage bridge loan assistance fund established in section eighty-nine-i of the state finance law.

4. Duration of home mortgage bridge loan assistance payments. Payments made pursuant to this article shall be provided for a period not to exceed thirty-six months, consecutively or non-consecutively in an aggregate amount which does not exceed sixty thousand dollars. The commissioner shall establish procedures for periodic review of the mortgagor's financial circumstances for purposes of determining whether continuation, termination or adjustment of home mortgage bridge loan assistance payments is warranted in light of any eligibility requirements pursuant to this article.

5. Delinquency in payments owed to the division. Should a mortgagor fail to pay to the division any amounts owed under this section within fifteen days of the due date, the commissioner shall review the mortgagor's financial circumstances in order to determine whether the delinquency is a result of a change in the mortgagor's financial circumstances. If such a determination is made, the commissioner may modify the mortgagor's required payments. If failure to pay is not determined to be due to a material deterioration in the mortgagor's financial circumstances, the commissioner shall terminate assistance and notify the mortgagee that assistance has been terminated. The mortgagee may thereafter take any legal action necessary to enforce its mortgage without further restriction pursuant to this article.

6. Delinquency in meeting obligations to mortgagees. Should any mortgagee scheduled to receive payments from the division pursuant to this article not receive any such payment within thirty days of its scheduled due date, or should the mortgagor fail to observe and perform all terms, covenants, and conditions of the mortgage, the mortgagee may, at any time thereafter, take any legal action to enforce the mortgage without further restriction pursuant to this article.

§ 2. The state finance law is amended by adding a new section 89-i to read as follows:

§ 89-i. Home mortgage bridge loan assistance fund. 1. There is hereby established in the custody of the state comptroller a special fund to be known as the "home mortgage bridge loan assistance fund". Monies in such fund shall be kept separate from and not commingled with other funds held in the custody of the state comptroller.

2. The home mortgage bridge loan assistance fund shall consist of moneys appropriated thereto, funds transferred from any other fund or source, moneys paid to the division of housing and community renewal by mortgagors for repayment of home mortgage bridge loan assistance payments pursuant to article twenty-eight of the private housing finance law, moneys received as grants and other provisions of funds by financial institutions for the purpose of receiving credit pursuant to the Community Reinvestment Act of 1977, and all revenues received from contributions, donations and all other moneys credited thereto.

3. The moneys of the home mortgage bridge loan assistance fund, upon appropriation thereof, shall be expended by the division of housing and community renewal solely for the purposes of article twenty-eight of the private housing finance law.

4. The state comptroller, in consultation with the commissioner of housing and community renewal, may establish accounts within the home mortgage bridge loan assistance fund based on the sources of the revenue into such fund or any other purpose which is consistent with the provisions of article twenty-eight of the private housing finance law; provided, however, that the comptroller shall establish a separate account called the "community reinvestment act account" which shall include the moneys deposited into the fund by financial institutions in accordance with the provisions of the Community Reinvestment Act of 1977, as amended.

§ 3. This act shall take effect immediately.