

# STATE OF NEW YORK

8190--A

## IN SENATE

April 13, 2020

Introduced by Sens. SALAZAR, JACKSON, MYRIE, RAMOS -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to establish the Emergency Coronavirus Affordable Housing Preservation Act of 2020

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

1 Section 1. This act shall be known and may be cited as the "Emergency  
2 Coronavirus Affordable Housing Preservation Act of 2020".  
3 § 2. Legislative findings. The legislature hereby finds that a serious  
4 public emergency exists in the state of New York due to the impact of  
5 the global outbreak of novel coronavirus, COVID-19, which as of the date  
6 of this legislation, created destabilized housing, loss of employment  
7 and/or income, closure of businesses and/or schools, and greatly exacer-  
8 bated financial insecurity in the state of New York. The legislature  
9 further finds that it is currently impossible to accurately assess the  
10 full scope, duration, and severity of impact this public emergency has  
11 and will have on the residents of New York and that, in response to this  
12 crisis, the executive declared a 'Disaster Emergency' which has put  
13 extraordinary constraints on individuals, families, homeowners, small  
14 businesses, not-for-profits, and local/state/federal agencies. The  
15 legislature declares that it is both in the public interest and the  
16 responsibility of government to provide and secure federal and/or state  
17 emergency funding to ensure small businesses, public housing entities,  
18 nonprofits, families, and individuals, unable to afford housing and/or  
19 necessary expenses as a result of lost income related to public health  
20 emergencies, such as the novel coronavirus, COVID-19, outbreak, not be  
21 encumbered with severe financial burden and that, consistent with arti-  
22 cles 17 and 18 of the state constitution, it is therefore incumbent on  
23 the legislature and the executive to implement protections so as to  
24 reduce the harm to New York residents and ensure safe, decent, sanitary,

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

LBD16102-03-0

1 affordable housing and financial stability during the novel coronavirus,  
2 COVID-19, crisis and all other public emergencies.

3 § 3. Definitions. (a) "Residential tenant" shall have the same meaning  
4 as in paragraph (a) of subdivision 1 of section 235-f of the real prop-  
5 erty law, those who otherwise pay for the use and occupancy of a resi-  
6 dential dwelling, or occupants as defined by paragraph (b) of subdivi-  
7 sion 1 of section 235-f of the real property law.

8 (b) "Commercial small business tenant" shall mean a small business, as  
9 defined in section 131 of the economic development law, lawfully occupy-  
10 ing a covered property pursuant to a lease or other rental agreement.

11 (c) "Small homeowner" shall mean an owner of a dwelling with 6 or  
12 fewer units where such owner also resides as a primary residence.

13 (d) "Affordable housing operator" shall mean a not-for-profit entity  
14 as defined in the not-for-profit corporation law or a housing develop-  
15 ment fund company as defined in section 572 of the private housing  
16 finance law that owns and operates a housing project for persons of  
17 low-income.

18 (e) "Residential cooperative" shall mean any not-for-profit corpo-  
19 ration or housing development fund company owning and operating any  
20 housing project, of any size, for persons of low-income as defined in  
21 section 573 of the private housing finance law or any corporation or  
22 entity owning and operating a residential cooperative with 10 or fewer  
23 units.

24 § 4. Abatement of rent in the case of residential and commercial small  
25 business tenants complying or formerly employed by small business  
26 complying with COVID-19 orders and tenants who are employees of small  
27 businesses; jurisdiction; evidentiary presumptions; effect of abatement;  
28 offset of abatement by owners. (a) Notwithstanding any other provision  
29 of law, rule or regulation to the contrary, for any residential tenant  
30 or commercial small business tenant in the state that has lost income as  
31 a result of such residential tenant's, or such tenant's employer's,  
32 compliance with government ordered restrictions in response to the  
33 outbreak of novel coronavirus, COVID-19, or as a result of the shutdown  
34 of the industry in which such residential tenant or commercial small  
35 business tenant was working, operating, or employed as a result of  
36 government ordered restrictions in response to the outbreak of novel  
37 coronavirus, COVID-19, including the definition of "essential" and  
38 "non-essential" work, or as a result of the closure of the premises when  
39 the premises are such commercial small business tenant's place of busi-  
40 ness in compliance with government ordered restrictions in response to  
41 the outbreak of novel coronavirus, COVID-19, no rent shall be recovered  
42 by an owner of any premises used by such tenant thereof for human habi-  
43 tation, or for the operation of the small business, for the entire peri-  
44 od of such compliance, which period shall run from March 20, 2020 until  
45 the date when the governor shall specify, in an executive order, that  
46 the prohibition on enforcement of either an eviction of any tenant,  
47 residential or commercial, imposed by executive order 202.8, shall have  
48 expired, but in no event shall such period be less than ninety days from  
49 March 20, 2020.

50 (b) (i) In the case of residential tenants, both the state division of  
51 housing and community renewal as well as any court of competent juris-  
52 diction, which shall include the New York City Civil Court and any city,  
53 village, or town court within a summary proceeding under article 7 of  
54 the real property actions and proceedings law, shall have jurisdiction  
55 to determine rental abatements as provided herein. The state division of  
56 housing and community renewal shall issue regulations to effectuate this

1 section. The regulations issued pursuant to this paragraph shall  
2 include provisions designed to ensure that assistance will be provided  
3 by the relevant agencies to ensure full access to the services and  
4 financial assistance required under this section by individuals for whom  
5 English is not the primary language.

6 (ii) In the case of commercial small business tenants, any court of  
7 competent jurisdiction, which shall include the New York City Civil  
8 Court and any city, village, or town court within a summary proceeding  
9 under article 7 of the real property actions and proceedings law, as  
10 well as the comptroller in a municipality having a comptroller, or in a  
11 municipality having no comptroller, then the chief fiscal officer of  
12 such municipality, except that in the city of New York, then specif-  
13 ically the department of small business services, shall have jurisdic-  
14 tion to determine rental abatements as provided herein. Said comp-  
15 troller, chief fiscal officer, or, in the city of New York, the  
16 department of small business services, such shall issue regulations to  
17 effectuate this section. The regulations issued pursuant to this para-  
18 graph shall include provisions designed to ensure that assistance will  
19 be provided by the relevant agencies to ensure full access to the  
20 services and financial assistance required under this section by indi-  
21 viduals for whom English is not the primary language.

22 (c) For the purpose of demonstrating that such residential tenant has  
23 lost income as a result of such residential tenant's, or such tenant's  
24 employer's, compliance with government ordered restrictions in response  
25 to the outbreak of novel coronavirus, COVID-19, a rebuttable presumption  
26 that such residential tenant has lost income shall be created if the  
27 residential tenant establishes through testimony or documentary evidence  
28 that the tenant has lost hourly income pay, or was terminated, laid-off,  
29 subject to a reduction in work hours, or terminated from an independent  
30 contract job or "gig" employment within 2 weeks of the issuance of  
31 government ordered restrictions in response to the outbreak of novel  
32 coronavirus, COVID-19. For the purpose of this subdivision, the 2 weeks  
33 shall run from March 7, 2020.

34 (d) For the purpose of demonstrating that such commercial small busi-  
35 ness tenant has lost income as a result of such commercial small busi-  
36 ness tenant's compliance with government ordered restrictions in  
37 response to the outbreak of novel coronavirus, COVID-19, a rebuttable  
38 presumption that such commercial small business tenant has lost income  
39 shall be created if such commercial small business tenant establishes  
40 through testimony or documentary evidence that such commercial small  
41 business tenant closed the premises when the premises are such commer-  
42 cial small business' place of business within 2 weeks of the issuance of  
43 government ordered restrictions in response to the outbreak of novel  
44 coronavirus, COVID-19. For the purpose of this subdivision, the 2 weeks  
45 shall run from March 7, 2020.

46 (e) Any abatement of rent provided to a residential or commercial  
47 small business tenant hereunder shall have the same effect as a cancel-  
48 lation of the rental debt and any claims related thereto for the purpose  
49 of legal collection, enforcement, and reporting to a credit reporting or  
50 tenant screening bureau, and shall render any person who seeks to  
51 collect, enforce, or report to a credit reporting bureau or tenant  
52 screening bureau such abated rent to all like penalties, sanctions, and  
53 liabilities under the law for the unlawful collection, enforcement, or  
54 reporting of debt.

55 (f) At such owner's election, any owner of premises subject to any  
56 orders awarding abatements of rent issued by the state department of

1 housing and community renewal or other department or agency designated  
2 by the chief executive of a city with a population of more than one  
3 million or county, city, town, or village, or to any judgments issued by  
4 a court of competent jurisdiction shall be entitled to recover the total  
5 dollar amount of all abatements issued hereunder either: (i) as a  
6 reduction in the owner's real property tax payment by deducting from the  
7 amount due in any quarter or period an amount not in excess of 10% of  
8 the total abatement dollar amount from each payment coming due until the  
9 total abatement amount is deducted; or

10 (ii) a withholding of any mortgage or construction loan principal  
11 payments, mortgage or construction loan interest payments, or mortgage  
12 or construction loan extension fee payments due and owing to the state  
13 or any political subdivision thereof until the total abatement amount is  
14 repaid. The department of taxation and finance and all departments and  
15 agencies specified in the private housing finance law, including the  
16 supervising agency as defined in article 1 of the private housing  
17 finance law, shall issue regulations establishing an application proce-  
18 dure for an owner to elect a method of abatement offsetting. The regu-  
19 lations issued pursuant to this paragraph shall include provisions  
20 designed to ensure that assistance will be provided by the relevant  
21 agencies to ensure full access to the services and financial assistance  
22 required under this section by individuals for whom English is not the  
23 primary language.

24 § 5. Residential mortgage relief for individuals with financial hard-  
25 ship. The provisions of executive order 202.9 of 2020, dated March 21,  
26 2020, relating to a modification of subdivision two of section 39 of the  
27 banking law to provide that any bank which is subject to the jurisdic-  
28 tion of the department of financial services shall be deemed to be  
29 engaging in an unsafe and unsound business practice if it does not grant  
30 a forbearance to any person or business who has a financial hardship as  
31 a result of the novel coronavirus, COVID-19, pandemic for a period of 90  
32 days is hereby enacted, in its entirety, including with the directive  
33 that the department of financial services promulgate regulations to  
34 effectuate the contents of such directive. The regulations issued  
35 pursuant to this paragraph shall include provisions designed to ensure  
36 that assistance will be provided by the relevant agencies to ensure full  
37 access to the services and financial assistance required under this  
38 section by individuals for whom English is not the primary language.

39 § 6. Assistance to small homeowners losing rental income as a result  
40 of the novel coronavirus, COVID-19, public health crisis. (a) Except as  
41 modified in this section, for the purpose of ensuring that small home-  
42 owners possess sufficient funds to continue operating safe, decent, and  
43 sanitary housing, for themselves and for tenants, during the novel coro-  
44 navirus, COVID-19, public health crisis, any small homeowner who has  
45 lost 10% or greater of rental income as a result of financial hardship  
46 to such small homeowner's tenants shall be entitled to a payment of the  
47 total amount of lost rental income if the small homeowner can establish  
48 that the rental income was lost as a result of novel coronavirus,  
49 COVID-19, hardship, for which a rebuttable presumption of loss resulting  
50 from the novel coronavirus, COVID-19, shall be created if such small  
51 homeowner can demonstrate the loss of 10% or more of rental income with-  
52 in 1 month of the issuance of government ordered restrictions in  
53 response to the outbreak of novel coronavirus, COVID-19. In addition to  
54 those small homeowners who can demonstrate the loss of 10% or more of  
55 their rental income, any small homeowner who can demonstrate through  
56 testimony or documentary evidence that such small homeowner has lost an

1 amount of rental income less than 10%, but which is sufficient to have  
2 caused financial hardship to the small homeowner by rendering such small  
3 homeowner incapable of covering necessary expenses related to the prop-  
4 erty, shall also be entitled to a payment of the total amount of lost  
5 rental income if the small homeowner can establish that the rental  
6 income was lost as a result of novel coronavirus, COVID-19, hardship,  
7 for which a rebuttable presumption of loss resulting from the novel  
8 coronavirus, COVID-19, shall be created if such small homeowner can  
9 demonstrate the loss of such income within 1 month of the issuance of  
10 government ordered restrictions in response to the outbreak of novel  
11 coronavirus, COVID-19. For the purpose of determining whether the  
12 rebuttable presumption created herein shall apply, the month shall run  
13 from March 7, 2020 until April 20, 2020.

14 (b) Any payment made to a small homeowner under this provision shall  
15 be monthly, paid on or before May 1, 2020 and such payment shall contin-  
16 ue on a monthly basis until and through the date when the governor shall  
17 specify, in an executive order, that the prohibition on enforcement of  
18 either an eviction of any tenant, residential or commercial, imposed by  
19 executive order 202.8, shall have expired, but in no event shall such  
20 period be less than 90 days from March 20, 2020. The first payment on  
21 May 1, 2020 shall cover the period of March 20 through April 30, 2020.  
22 Such shall also include provisions designed to ensure that assistance  
23 will be provided by the relevant agencies to ensure full access to the  
24 services and financial assistance required under this section by indi-  
25 viduals for whom English is not the primary language

26 (c) The supervising agency, as defined in article 1 of the private  
27 housing finance law, shall issue regulations establishing an application  
28 procedure for a small homeowner to seek such lost rental income relief.  
29 Such regulations shall provide that as a condition of such relief  
30 payments, a small homeowner shall agree and shall be obligated, through  
31 executing an instrument in a form specified in any regulations issued  
32 hereunder, to provide all tenants residing in the dwelling with a  
33 renewal lease of at least 1 year and at the amount of rent actually  
34 charged and collected 6 months prior to the application, and such regu-  
35 lations shall further provide that small homeowners shall not be eligi-  
36 ble for the relief provided herein for rental income imputable to any  
37 illegal unit or for rental income imputable to any unit containing  
38 uncorrected, as of the time of the application, immediately hazardous  
39 violations of a state or local housing or building code that existed  
40 prior to March 1, 2020. Such regulations shall also include provisions  
41 designed to ensure that assistance will be provided by the relevant  
42 agencies to ensure full access to the services and financial assistance  
43 required under this section by individuals for whom English is not the  
44 primary language.

45 (d) The assistance provided under this section shall primarily be  
46 funded by any grants or funding available or repurposed by the state in  
47 relation to:

- 48 (i) the novel coronavirus, COVID-19, public health crisis;  
49 (ii) any federal or state funds available in response to a national  
50 and/or state emergency order;  
51 (iii) any funds received from federal programs in relation to public  
52 health emergencies;  
53 (iv) the novel coronavirus, COVID-19, public health emergency allowing  
54 for the protection of low-income, marginalized communities, public hous-  
55 ing programs and economic development, and the preservation and conser-  
56 vation of housing;

1 (v) any funds available to the state under the federal "Coronavirus  
2 Aid, Relief, and Economic Security Act" or the CARES Act; and/or  
3 (vi) any federal or state emergency relief funds available to the  
4 state.

5 § 7. Assistance for affordable housing operators losing rental income  
6 as a result of the novel coronavirus, COVID-19, public health crisis.

7 (a) Except as modified in this section, for the purpose of ensuring  
8 that affordable housing operators possess sufficient funds to continue  
9 operating safe, decent, and sanitary housing for vulnerable low-income  
10 populations during the novel coronavirus, COVID-19, public health  
11 crisis, any affordable housing operator that has lost 10% or greater of  
12 rental income as a result of financial hardship to such affordable hous-  
13 ing operator's tenants shall be entitled to a payment of the total  
14 amount of lost rental income if the affordable housing operator can  
15 establish that the rental income was lost as a result of novel coronavi-  
16 rus, COVID-19, hardship, for which a rebuttable presumption of loss  
17 resulting from the novel coronavirus, COVID-19, shall be created if such  
18 affordable housing operator can demonstrate the loss of 10% or more of  
19 rental income within 1 month of the issuance of government ordered  
20 restrictions in response to the outbreak of novel coronavirus, COVID-19.  
21 In addition to those affordable housing operators who can demonstrate  
22 the loss of 10% or more of their rental income, any affordable housing  
23 operator who can demonstrate through testimony or documentary evidence  
24 that such affordable housing operator has lost an amount of rental  
25 income less than 10%, but which is sufficient to have caused financial  
26 hardship to the affordable housing operator by rendering such affordable  
27 housing operator incapable of covering necessary expenses related to the  
28 property, shall also be entitled to a payment of the total amount of  
29 lost rental income if the affordable housing operator can establish that  
30 the rental income was lost as a result of novel coronavirus, COVID-19,  
31 hardship, for which a rebuttable presumption of loss resulting from the  
32 novel coronavirus, COVID-19, shall be created if such affordable housing  
33 operator can demonstrate the loss of such income within 1 month of the  
34 issuance of government ordered restrictions in response to the outbreak  
35 of novel coronavirus, COVID-19. For the purpose of determining whether  
36 the rebuttable presumption created herein shall apply, the month shall  
37 be deemed to have begun on March 7, 2020 and shall run until April 20,  
38 2020.

39 (b) Any payment made to an affordable housing operator under this  
40 provision shall be monthly, paid on May 1, 2020, and such payment shall  
41 continue on a monthly basis until and through the date when the governor  
42 shall specify, in an executive order, that the prohibition on enforce-  
43 ment of either an eviction of any tenant, residential or commercial,  
44 imposed by executive order 202.8, shall have expired, but in no event  
45 shall such period be less than 90 days from March 20, 2020. The first  
46 payment on May 1, 2020 shall cover the period of March 20 through April  
47 30, 2020.

48 (c) All departments and agencies specified in the private housing  
49 finance law, including the supervising agency as defined in article 1 of  
50 the private housing finance law, shall issue regulations establishing an  
51 application procedure for an affordable housing operator seeking such  
52 lost rental income relief. Such regulations shall provide that, as a  
53 condition of such relief, the affordable housing operator shall enter  
54 into a regulatory agreement, as defined in section 576 of the private  
55 housing finance law, with the executive unless such affordable housing  
56 operator is already subject to a regulatory agreement as defined there-

1 in, and such regulations shall further provide that affordable housing  
2 operators shall not be eligible for the relief provided herein for  
3 rental income imputable to any illegal unit or for rental income imputa-  
4 ble to a unit containing uncorrected, as of the time of the application,  
5 immediately hazardous violations of a state or local housing or building  
6 code that existed prior to March 1, 2020. Such regulations shall also  
7 include provisions designed to ensure that assistance will be provided  
8 by the relevant agencies to ensure full access to the services and  
9 financial assistance required under this section by individuals for whom  
10 English is not the primary language.

11 (d) The assistance provided under this section shall primarily be  
12 funded by any grants or funding available or repurposed by the state in  
13 relation to:

- 14 (i) the novel coronavirus, COVID-19, public health crisis;  
15 (ii) any federal or state funds available in response to a national  
16 and/or state emergency order;  
17 (iii) any funds received from federal programs in relation to public  
18 health emergencies;  
19 (iv) the novel coronavirus, COVID-19, public health emergency allowing  
20 for the protection of low-income, marginalized communities, public hous-  
21 ing programs and economic development, and the preservation and conser-  
22 vation of housing;  
23 (v) any funds available to the state under the federal "Coronavirus  
24 Aid, Relief, and Economic Security Act" or the CARES Act; and/or  
25 (vi) any federal or state emergency relief funds available to the  
26 state.

27 § 8. Assistance to residential housing cooperatives losing maintenance  
28 and rental income as a result of the novel coronavirus, COVID-19, public  
29 health crisis. (a) Except as modified in this section, for the purpose  
30 of ensuring that residential housing cooperatives possess sufficient  
31 funds to continue operating safe, decent, and sanitary multifamily hous-  
32 ing during the novel coronavirus, COVID-19, public health crisis, any  
33 residential housing cooperatives that have lost 10% or greater of main-  
34 tenance or rental income as a result of financial hardship to such resi-  
35 dential housing cooperative's tenants or shareholders shall be entitled  
36 to a payment of the total amount of lost maintenance or rental income if  
37 the residential housing cooperative can establish that the maintenance  
38 or rental income was lost as a result of novel coronavirus, COVID-19,  
39 hardship, for which a rebuttable presumption of loss resulting from the  
40 novel coronavirus, COVID-19, shall be created if such residential hous-  
41 ing cooperative can demonstrate the loss of 10% or more of maintenance  
42 or rental income within 1 month of the issuance of government ordered  
43 restrictions in response to the outbreak of novel coronavirus, COVID-19.  
44 In addition to those residential housing cooperatives who can demon-  
45 strate the loss of 10% or more of their rental income, any residential  
46 housing cooperative which can demonstrate through testimony or documen-  
47 tary evidence that such residential housing cooperative has lost an  
48 amount of maintenance or rental income less than 10%, but which is  
49 sufficient to have caused financial hardship to the residential housing  
50 cooperative by rendering such residential housing cooperative incapable  
51 of covering necessary expenses related to the property, shall also be  
52 entitled to a payment of the total amount of lost maintenance or rental  
53 income if the residential housing cooperative can establish that the  
54 maintenance or rental income was lost as a result of novel coronavirus,  
55 COVID-19, hardship, for which a rebuttable presumption of loss resulting  
56 from the novel coronavirus, COVID-19, shall be created if such residen-

1 tial housing cooperative can demonstrate the loss of such maintenance or  
2 rental income within 1 month of the issuance of government ordered  
3 restrictions in response to the outbreak of novel coronavirus, COVID-19.  
4 For the purpose of determining whether the rebuttable presumption  
5 created herein shall apply, the month shall run from March 7, 2020 until  
6 April 20, 2020.

7 (b) Any payment made to a residential housing cooperative under this  
8 provision shall be monthly, paid on or before May 1, 2020 and such  
9 payment shall continue on a monthly basis until and through the date  
10 when the governor shall specify, in an executive order, that the prohi-  
11 bition on enforcement of an eviction of any tenant, residential or  
12 commercial, imposed by executive order 202.8, shall have expired, but in  
13 no event shall such period be less than 90 days from March 20, 2020.

14 (c) All departments and agencies specified in the private housing  
15 finance law as supervising housing development fund companies, as well  
16 as the supervising agency as defined in article 1 of the private housing  
17 finance law, shall issue regulations establishing an application proce-  
18 dure for a residential housing cooperative seeking assistance with such  
19 lost maintenance and rental income relief. Such regulations shall  
20 provide that as a condition of such assistance payments, a residential  
21 housing cooperative shall agree and shall be obligated, through execut-  
22 ing an instrument in a form specified in the regulations issued here-  
23 under, to provide any tenants residing in the housing cooperative with a  
24 renewal lease of at least 1 year, at the same rental amount actually  
25 charged and collected 6 months prior to the application for relief. Such  
26 regulations shall further provide that any rental housing cooperative  
27 shall not be eligible for the relief provided herein for rental or main-  
28 tenance income imputable to any illegal unit or unit occupied in  
29 violation of the cooperative's bylaws or for rental income imputable to  
30 a unit containing uncorrected, as of the time of the application, imme-  
31 diately hazardous violations of a state or local housing or building  
32 code that existed prior to March 1, 2020 and which are the housing coop-  
33 erative's legal duty to remedy. Such regulations shall also include  
34 provisions designed to ensure that assistance will be provided by the  
35 relevant agencies to ensure full access to the services and financial  
36 assistance required under this section by individuals for whom English  
37 is not the primary language.

38 (d) The assistance provided under this section shall primarily be  
39 funded by any grants or funding available or repurposed by the state in  
40 relation to:

- 41 (i) the novel coronavirus, COVID-19, public health crisis;
- 42 (ii) any federal or state funds available in response to a national  
43 and/or state emergency order;
- 44 (iii) any funds received from federal programs in relation to public  
45 health emergencies;
- 46 (iv) the novel coronavirus, COVID-19, public health emergency allowing  
47 for the protection of low-income, marginalized communities, public hous-  
48 ing programs and economic development, and the preservation and conser-  
49 vation of housing;
- 50 (v) any funds available to the state under the federal "Coronavirus  
51 Aid, Relief, and Economic Security Act" or the CARES Act; and/or
- 52 (vi) any federal or state emergency relief funds available to the  
53 state.

54 § 9. Regulatory relief for affordable housing operators and residen-  
55 tial housing cooperatives providing housing during the novel coronavi-  
56 rus, COVID-19, public health crisis. (a) Notwithstanding any contrary



1 provision of law, rule, regulation or provision of any regulatory or  
2 other agreement by and between an affordable housing operator, residen-  
3 tial housing cooperative, or any affiliate or subsidiary of an afforda-  
4 ble housing operator or residential housing cooperative, as one party,  
5 and the department or agency of the state or any political subdivision  
6 of the state, as another party, affordable housing operators and resi-  
7 dential housing cooperatives shall: (i) have the right to use or apply  
8 any operating account reserves toward or for building or housing project  
9 operations or the satisfaction of any debts or obligations arising from  
10 financial hardship caused by the novel coronavirus, COVID-19, public  
11 health crisis without any penalty or sanction otherwise provided for in  
12 such law, rule, regulation, or provision of a regulatory or other agree-  
13 ment; and (ii) the right to withhold any mortgage or construction loan  
14 principal payments, mortgage or construction loan interest payments, or  
15 mortgage or construction loan extension fee payments due and owing to  
16 the state or any political subdivision thereof and apply such mortgage  
17 interest payments to housing project operations or the satisfaction of  
18 any debts or obligations arising from financial hardship caused by the  
19 novel coronavirus, COVID-19, public health crisis or to the replenish-  
20 ment of any operating account reserves.

21 (b) Notwithstanding any contrary provision of law, rule, regulation or  
22 provision of any regulatory or other agreement by and between any corpo-  
23 ration, not-for-profit corporation, community benefit corporation, local  
24 community development corporation, as one party, and the department or  
25 agency of the state or any political subdivision of the state, as anoth-  
26 er party, relating to the provision of funding to any affordable housing  
27 operator or residential housing cooperative, whether as a mortgage or as  
28 any supportive fund, such community benefit corporation or local commu-  
29 nity development shall, upon request of such affordable housing operator  
30 or residential housing cooperative, grant a forbearance to such afforda-  
31 ble housing operator or residential housing cooperative who has a finan-  
32 cial hardship as a result of the novel coronavirus, COVID-19, pandemic  
33 for a period of at least 90 days, which period shall be extended if the  
34 governor extends the period of the mortgage forbearance as provided in  
35 section five of this act.

36 (c) All departments and agencies specified in the private housing  
37 finance law, including the supervising agency as defined in article 1 of  
38 the private housing finance law, shall issue regulations to effectuate  
39 the provisions of this section.

40 § 10. Severability clause. If any clause, sentence, paragraph, subdi-  
41 vision, section or part of this act shall be adjudged by a court of  
42 competent jurisdiction to be invalid, such judgment shall not affect,  
43 impair or invalidate the remainder thereof, but shall be confined in its  
44 operation to the clause, sentence, paragraph, subdivision, section or  
45 part thereof directly involved in the controversy in which such judgment  
46 shall have been rendered. It is hereby declared to be the intent of the  
47 legislature that this act would have been enacted even if such invalid  
48 provisions had not been included herein.

49 § 11. This act shall take effect immediately.