

# STATE OF NEW YORK

8802

## IN SENATE

July 17, 2020

Introduced by Sen. SALAZAR -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to establish the Rent and Mortgage Cancellation 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 "Rent and  
2 Mortgage Cancellation 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 income, closure of businesses and schools, and greatly exacerbated  
8 financial insecurity in the state of New York. The legislature further  
9 finds that it is currently impossible to accurately assess the full  
10 scope, duration, and severity of impact this public emergency has and  
11 will have on the residents of New York and that, in response to this  
12 crisis, on March 7, 2020 the executive declared a 'State Disaster Emer-  
13 gency' which has put extraordinary constraints on individuals, families,  
14 homeowners, not-for-profits, residential housing cooperatives, and  
15 local, state, and federal agencies. The legislature further finds that  
16 the loss of employment, illness and deaths caused by the COVID-19  
17 outbreak have rendered many individuals and families unable to pay for  
18 the costs of housing and other life necessities. The legislature further  
19 finds that safe and affordable housing is a key measure of positive  
20 individual, family, and public health outcomes. The legislature further  
21 finds that without government intervention, individuals and families who  
22 are unable to pay the costs of housing will be displaced, which will  
23 result in an increase in families who are cohabiting with one or more  
24 other families and an increase in the population of unhoused individuals  
25 and families, both of which will accelerate the spread of COVID-19  
26 infection and, therefore, measures to prevent such individual and house-  
27 hold displacement are necessary to prevent increased COVID-19 trans-  
28 mission. The legislature further finds that without rent and mortgage  
29 relief, the number of eviction case filings for nonpayment of rent and

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

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1 the number of mortgage foreclosures will increase tremendously, result-  
2 ing in overburdened court systems which will not have the resources or  
3 space to operate functionally and also resulting in massive congestion  
4 and increased human contact in courthouse spaces, both of which will  
5 exacerbate the spread of COVID-19 creating a worsened public health  
6 hazard. The legislature further finds that a tremendous increase in  
7 evictions and foreclosures will overburden social services agencies and  
8 resources and that the shelter system does not have the capacity to  
9 accommodate a significantly increased homeless population, both of which  
10 will also worsen the spread of COVID-19. The legislature further finds  
11 that public housing authorities have incurred expenses resulting from  
12 the COVID-19 outbreak and have lost rental income due to widespread  
13 financial hardship suffered by public housing tenants and occupants as a  
14 result of the COVID-19 outbreak. The legislature declares that it is  
15 both in the public interest and the responsibility of government to  
16 provide and secure federal and state emergency funding to ensure that  
17 individuals and families are not rendered homeless or severely finan-  
18 cially burdened because of an inability to pay for the cost of housing  
19 and other necessities due to the COVID-19 outbreak and to ensure that  
20 public housing entities, not-for-profits, residential cooperatives, and  
21 landlords unable to afford necessary expenses as a result of COVID-19  
22 outbreak, not be encumbered with severe financial burden, and to promote  
23 the stability and proper maintenance of the housing stock and assist  
24 communities in recovering from the adverse social and economic impacts  
25 of the COVID-19 outbreak, and that, consistent with articles 17 and 18  
26 of the state constitution, it is therefore incumbent on the legislature  
27 and the executive to implement protections and to provide rent and mort-  
28 gage relief so as to reduce the harm to New York residents and ensure  
29 safe, decent, sanitary, affordable housing and financial stability  
30 during the novel coronavirus, COVID-19, crisis and all other public  
31 emergencies.

32 § 3. Definitions. (a) "Residential tenant" shall have the same meaning  
33 as in paragraph (a) of subdivision 1 of section 235-f of the real prop-  
34 erty law, those who otherwise pay for the use and occupancy of a resi-  
35 dential dwelling unit, occupants as defined by paragraph (b) of subdivi-  
36 sion 1 of section 235-f of the real property law, or tenants or  
37 occupants of residential dwelling units funded pursuant to 42 U.S.C.  
38 1437g.

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

41 (c) "Affordable housing operator" shall mean a not-for-profit entity  
42 as defined in the not-for-profit corporation law or a housing develop-  
43 ment fund company as defined in section 572 of the private housing  
44 finance law that owns and operates a housing project for persons of  
45 low-income.

46 (d) "Rent" shall have the same meaning as defined in section 702 of  
47 the real property actions and proceedings law.

48 (e) "Residential cooperative" shall mean any housing project, of any  
49 size, operated for persons of low income by a housing corporation as  
50 defined in section 572 of the private housing finance law, or any corpo-  
51 ration or entity owning and operating a residential cooperative with 10  
52 or fewer units.

53 (f) "Public housing authority" shall mean any municipal housing  
54 authority created under article 13 of the public housing law.

55 (g) "Commissioner" shall mean the commissioner of housing and communi-  
56 ty renewal.

1 § 4. Cancellation of rent in the case of residential tenants; fines;  
2 termination of tenancy and eviction proceedings; debt; consumer credit  
3 reports. (a) Notwithstanding any other provision of law, the obligation  
4 of a residential tenant to pay rent shall be suspended for a period that  
5 shall run from March 7, 2020 until the expiration of 90 days after the  
6 executive declares that the state disaster emergency has ended.

7 (b) No tenant or tenant household may be charged a fine or fee for  
8 non-payment of rent in accordance with this section.

9 (c) The nonpayment of rent by a tenant in accordance with this section  
10 shall not be grounds for any termination of tenancy or eviction proceed-  
11 ing or civil judgment.

12 (d) No tenant or tenant household may be treated as accruing any debt  
13 by reason of suspension of rent under this section.

14 (e) No tenant or tenant household may be held liable for repayment of  
15 any amount of rent suspended under this section.

16 (f) The nonpayment of rent by a tenant in accordance with this section  
17 shall not be reported to a tenant screening agency or a consumer report-  
18 ing agency nor shall such nonpayment adversely affect a tenant or member  
19 of a tenant's household's credit score nor shall such nonpayment be  
20 grounds for denying any future application for rental housing made by a  
21 tenant or a member of a tenant's household.

22 § 5. Mortgage payment suspension, fees and penalties, credit scores.

23 (a) Notwithstanding any other provision of law, the obligation of a  
24 small homeowner to make mortgage payments of principal or interest that  
25 become due during the period running from March 7, 2020 until the expi-  
26 ration of 90 days after the executive declares that the state disaster  
27 emergency has ended, is hereby suspended.

28 (b) No mortgagor who is a small homeowner may be held responsible for  
29 payment of mortgage payments suspended under this section or treated as  
30 accruing any debt by reason of suspension under this section of the  
31 obligation to make mortgage payments.

32 (c) A mortgagee, or servicer for such mortgagee, under a residential  
33 mortgage loan to a small homeowner may not commence or continue any  
34 judicial foreclosure action or non-judicial foreclosure process or any  
35 action for failure to make a payment due under such mortgage that is  
36 suspended pursuant to this section.

37 (d) No fees, penalties, or additional interest beyond the amounts  
38 scheduled or calculated as if the mortgagor made all contractual  
39 payments on time and in full under the terms of the mortgage contract in  
40 effect as of the commencement of the COVID-19 suspension period shall  
41 accrue.

42 (e) The nonpayment of a mortgage payment by a mortgagor pursuant to  
43 suspension of the obligation to make such payment under this section  
44 shall not be reported to a consumer reporting agency nor shall such  
45 nonpayment adversely affect a mortgagor's credit score.

46 (f) Assistance may not be provided under this section with respect to  
47 any dwelling for which assistance is provided pursuant to section seven  
48 or eight of this act.

49 § 6. Assistance to residential housing cooperatives losing maintenance  
50 and rental income. (a) Except as modified in this section, any residen-  
51 tial housing cooperatives that can demonstrate they lost maintenance or  
52 rental income during the period from March 7, 2020 until the expiration  
53 of 90 days after the executive declares that the state disaster emergen-  
54 cy has ended shall be entitled to a payment of the total amount of main-  
55 tenance or rental income lost during that period.

1 (b) (i) The commissioner of housing and community renewal, shall issue  
2 regulations establishing an application procedure for a residential  
3 housing cooperative seeking payment of lost maintenance or rental  
4 income.

5 (ii) Such regulations shall provide that as a condition of such  
6 assistance payments, a residential housing cooperative shall agree and  
7 shall be obligated, through executing an instrument in a form specified  
8 in the regulations issued hereunder to provide any tenants residing in  
9 the housing cooperative with a renewal lease of at least 1 year, at the  
10 same rental amount actually charged and collected 6 months prior to the  
11 application for relief.

12 (iii) Such regulations shall further provide that any rental housing  
13 cooperative shall not be eligible for the relief provided herein for  
14 rental or maintenance income imputable to any illegal unit or unit occu-  
15 pied in violation of the cooperative's bylaws or for rental income  
16 imputable to a unit containing uncorrected, as of the time of the appli-  
17 cation, immediately hazardous violations of a state or local housing or  
18 building code that existed prior to March 7, 2020 and which are the  
19 housing cooperative's legal duty to remedy.

20 (c) Any residential cooperative that receives payment for unpaid main-  
21 tenance under this section shall waive all rights to receive said main-  
22 tenance payments from the cooperative shareholder of the dwelling unit  
23 for which payment was received.

24 § 7. Assistance to affordable housing operators losing rental income.

25 (a) Except as modified in this section, any affordable housing operator  
26 that can demonstrate they lost rental income during the period from  
27 March 7, 2020 until the expiration of 90 days after the executive  
28 declares that the state disaster emergency has ended shall be entitled  
29 to a payment of the total amount of rental income lost during that peri-  
30 od.

31 (b) The commissioner of housing and community renewal, shall issue  
32 regulations establishing an application procedure for an affordable  
33 housing operator seeking payment of lost rental income.

34 (c) The commissioner may provide a payment under this section only  
35 with respect to rental dwellings that meet all the following require-  
36 ments:

37 (i) The affordable housing operator of the rental dwelling has made  
38 such certifications to, and entered into such binding agreements with,  
39 the commissioner as the commissioner considers necessary to ensure that  
40 during the five year period beginning upon initial receipt by such  
41 affordable housing operator of payment under this section for such  
42 dwelling, such dwelling shall be subject to the following requirements:

43 (1) the monthly rental amounts for the rental units within the proper-  
44 ty may not be increased from the amount of such rent charged as of the  
45 date of the enactment of this act;

46 (2) tenants of the rental units may be evicted only for the following  
47 reasons:

48 (A) the tenant is violating a substantial obligation of their tenancy  
49 other than the obligation to surrender possession of such housing accom-  
50 modation and has failed to cure such violation after written notice by  
51 the landlord that the violation cease within 10 days, or within the 3  
52 month period immediately prior to the commencement of the proceeding the  
53 tenant has willfully violated such an obligation inflicting serious and  
54 substantial injury to the landlord;

55 (B) the tenant is committing or permitting a nuisance in such housing  
56 accommodation or is maliciously or by reason of gross negligence

1 substantially damaging the housing accommodations, or the tenant's  
2 conduct is such as to interfere substantially with the comfort or safety  
3 of the landlord or of other tenants or occupants of the same or other  
4 adjacent building or structure;

5 (C) occupancy of the housing accommodations by the tenant is illegal  
6 because of the requirements of law, and the landlord is subject to civil  
7 or criminal penalties therefor, or both;

8 (D) the tenant is using or permitting such housing accommodation to be  
9 used for an illegal purpose;

10 (E) the tenant who had a written lease or other written rental agree-  
11 ment which terminates on or after the effective date of this statute,  
12 has refused upon demand of the landlord to execute a written extension  
13 or renewal thereof for a further term of like duration not in excess of  
14 one year but otherwise on the same terms and conditions as the previous  
15 lease except in so far as such terms and conditions are inconsistent  
16 with this act; or

17 (F) the tenant has unreasonably refused the landlord access to the  
18 housing accommodations for the purpose of making necessary repairs or  
19 improvements required by law or for the purpose of inspection or of  
20 showing the accommodations to a prospective purchaser, mortgagee or  
21 prospective mortgagee, or other person having a legitimate interest  
22 therein; provided, however, that in the latter event such refusal shall  
23 not be grounds for removal or eviction if such inspection or showing of  
24 the accommodations is contrary to the provisions of the tenant's lease  
25 or other rental agreement;

26 (3) the rental dwelling shall not have any outstanding violations for  
27 hazardous or immediately hazardous conditions;

28 (4) the affordable housing operator may not refuse to rent any rental  
29 dwelling unit, or discriminate in the renting of any rental dwelling  
30 unit, to a household based on the source of income of such household,  
31 including income under the program under section 8(o) of the United  
32 States Housing Act of 1937 (42 U.S.C. 1437f(o)) or any similar tenant-  
33 based rental assistance program;

34 (5) the affordable housing operator may not restrict tenancy of the  
35 dwelling unit on the basis of sexual identity or orientation, gender  
36 identity or expression, conviction or arrest record, credit history, or  
37 immigration status;

38 (6) the affordable housing operator may not retaliate in any way  
39 against a tenant of the dwelling unit; and

40 (7) the affordable housing operator may not report the tenant of the  
41 dwelling unit or provide any adverse information regarding the tenant to  
42 any credit reporting or tenant screening agency.

43 (ii) Assistance may not be provided under this section with respect to  
44 any dwelling unit for which assistance is provided pursuant to section  
45 five, six or eight of this act.

46 (d) (i) Subject to paragraph (ii) of this subdivision, the amount of a  
47 payment under this section with respect to a rental dwelling may not  
48 exceed the aggregate amount of rent for the rental dwelling suspended  
49 pursuant to subdivision (a) of section four of this act and attributable  
50 only to days from March 7, 2020 until the expiration of 90 days after  
51 the executive declares that the state disaster emergency has ended  
52 during which the dwelling unit was occupied by a tenant otherwise  
53 required to pay rent for such occupancy.

54 (ii) In making payments under this section with respect to any rental  
55 dwelling unit for which a tenant made a payment of rent during the peri-  
56 od run from March 7, 2020 until the expiration of 90 days after the

1 executive declares that the state disaster emergency has ended the  
2 commissioner of housing and community renewal agency shall:

3 (1) reduce the amount of the payment to the affordable housing opera-  
4 tor under paragraph (i) of this subdivision by the amount of any such  
5 rent paid; and

6 (2) make a payment to such tenant in the amount of any such rent paid.

7 (iii) In making payments under this section with respect to any dwell-  
8 ing for which the affordable housing operator received mortgage payment  
9 relief under section five of this act the commissioner shall reduce the  
10 amount of the payment to the affordable housing operator for lost rent  
11 by the amount of mortgage payment relief received under section five of  
12 this act.

13 (e) If an affordable housing operator violates any requirement with  
14 respect to a covered rental dwelling unit under any certification or  
15 agreement entered into pursuant to paragraph (i) of subdivision (c) of  
16 this section, the commissioner shall recapture from the affordable hous-  
17 ing operator an amount equal to the entire amount of assistance provided  
18 under this section that is attributable to such dwelling unit and ensure  
19 that such amount is recaptured.

20 (f) There is hereby authorized to be appropriated such sums as may be  
21 necessary to reimburse all affordable housing operators for all rent  
22 payments suspended pursuant to subdivision (a) of section four of this  
23 act.

24 (g) (i) Any affordable housing operator may apply for an exemption  
25 from one or more of the requirements set forth in subdivision (c) of  
26 this section and the commissioner shall grant exemptions from the  
27 requirements set forth in subdivision (c) of this section upon determin-  
28 ing that the affordable housing operator would otherwise suffer undue  
29 financial hardship resulting from the requirements for which exemption  
30 is sought.

31 (ii) Any affordable housing operator aggrieved by the commissioner's  
32 decision on an application under this section or for a hardship  
33 exemption pursuant to paragraph (i) of this subdivision may within 30  
34 days of the commissioner's decision seek judicial review pursuant to  
35 article 78 of the civil practice law and rules. In the event that the  
36 court may find that the decision of the commissioner constitutes the  
37 equivalent of a taking without compensation, it may, at the election of  
38 the commissioner, either set aside the decision or order the payment of  
39 just compensation by the commissioner.

40 § 8. Landlord relief fund, application, fair rental requirements,  
41 prohibition on duplication of assistance. (a) The commissioner of hous-  
42 ing and community renewal shall establish and manage a landlord relief  
43 fund, or in this section referred to as "the fund", to provide lessors  
44 payments under this section to reimburse such lessors for rent payments  
45 cancelled pursuant to subdivision (a) of section four of this act.

46 (b) The commissioner shall provide for lessors of rental dwellings to  
47 apply for reimbursement payments from the fund, which applications shall  
48 include the certifications and binding agreements required pursuant to  
49 subdivision (c) of this section.

50 (c) The commissioner may provide a payment under this section only  
51 with respect to rental dwellings that meet all of the following require-  
52 ments:

53 (i) The lessor of the rental dwelling has made such certifications to,  
54 and entered into such binding agreements with, the commissioner as the  
55 commissioner considers necessary to ensure that during the five year  
56 period beginning upon initial receipt by such lessor of payment under

1 this section for such dwelling, such dwelling shall be subject to the  
2 following requirements:

3 (1) the monthly rental amounts for the rental units within the proper-  
4 ty may not be increased from the amount of such rent charged as of the  
5 date of the enactment of this act;

6 (2) tenants of the rental units may be evicted only for the following  
7 reasons:

8 (A) the tenant is violating a substantial obligation of his tenancy  
9 other than the obligation to surrender possession of such housing accom-  
10 modation and has failed to cure such violation after written notice by  
11 the landlord that the violation cease within ten days, or within the 3  
12 month period immediately prior to the commencement of the proceeding the  
13 tenant has willfully violated such an obligation inflicting serious and  
14 substantial injury to the landlord;

15 (B) the tenant is committing or permitting a nuisance in such housing  
16 accommodation or is maliciously or by reason of gross negligence  
17 substantially damaging the housing accommodations; or his conduct is  
18 such as to interfere substantially with the comfort or safety of the  
19 landlord or of other tenants or occupants of the same or other adjacent  
20 building or structure;

21 (C) occupancy of the housing accommodations by the tenant is illegal  
22 because of the requirements of law, and the landlord is subject to civil  
23 or criminal penalties therefor, or both;

24 (D) the tenant is using or permitting such housing accommodation to be  
25 used for an illegal purpose;

26 (E) the tenant who had a written lease or other written rental agree-  
27 ment which terminates on or after the effective date of this statute,  
28 has refused upon demand of the landlord to execute a written extension  
29 or renewal thereof for a further term of like duration not in excess of  
30 one year but otherwise on the same terms and conditions as the previous  
31 lease except in so far as such terms and conditions are inconsistent  
32 with this act; or

33 (F) the tenant has unreasonably refused the landlord access to the  
34 housing accommodations for the purpose of making necessary repairs or  
35 improvements required by law or for the purpose of inspection or of  
36 showing the accommodations to a prospective purchaser, mortgagee or  
37 prospective mortgagee, or other person having a legitimate interest  
38 therein; provided, however, that in the latter event such refusal shall  
39 not be grounds for removal or eviction if such inspection or showing of  
40 the accommodations is contrary to the provisions of the tenant's lease  
41 or other rental agreement;

42 (3) the rental dwelling shall not have any outstanding violations for  
43 hazardous or immediately hazardous conditions;

44 (4) the lessor may not refuse to rent any rental dwelling unit, or  
45 discriminate in the renting of any rental dwelling unit, to a household  
46 based on the source of income of such household, including income under  
47 the program under section 8(o) of the United States Housing Act of 1937  
48 (42 U.S.C. 1437f(o)) or any similar tenant-based rental assistance  
49 program;

50 (5) the lessor may not restrict tenancy of the dwelling unit on the  
51 basis of sexual identity or orientation, gender identity or expression,  
52 conviction or arrest record, credit history, or immigration status;

53 (6) the lessor may not retaliate in any way against a tenant of the  
54 dwelling unit; and

1 (7) the lessor may not report the tenant of the dwelling unit or  
2 provide any adverse information regarding the tenant to any credit  
3 reporting or tenant screening agency.

4 (ii) Assistance may not be provided under this section with respect to  
5 any dwelling unit for which assistance is provided pursuant to section  
6 five, six or seven of this act.

7 (d) (i) Subject to paragraph (ii) of this subdivision, the amount of a  
8 payment under this section with respect to a rental dwelling may not  
9 exceed the aggregate amount of rent for the rental dwelling suspended  
10 pursuant to subdivision (a) of section four of this act and attributable  
11 only to days from March 7, 2020 until the expiration of 90 days after  
12 the executive declares that the state disaster emergency has ended  
13 during which the dwelling unit was occupied by a tenant otherwise  
14 required to pay rent for such occupancy.

15 (ii) In making payments under this section with respect to any rental  
16 dwelling unit for which a tenant made a payment of rent during the peri-  
17 od run from March 7, 2020 until the expiration of 90 days after the  
18 executive declares that the state disaster emergency has ended the  
19 commissioner shall:

20 (1) reduce the amount of the payment to the lessor under paragraph (i)  
21 of this subdivision by the amount of any such rent paid; and

22 (2) make a payment to such tenant in the amount of any such rent paid.

23 (iii) In making payments under this section with respect to any dwell-  
24 ing for which the lessor received mortgage payment relief under section  
25 five of this act the commissioner shall reduce the amount of the payment  
26 to the lessor for lost rent by the amount of mortgage payment relief  
27 received under section five of this act.

28 (e) In making payments under this section, the commissioner shall  
29 establish a tiered system for priority for such payments based on  
30 assets, revenues, and disclosure requirements with respect to lessors.  
31 Such system shall provide priority for making payments to eligible small  
32 homeowners and lessors having the fewest available amount of assets.

33 (f) If a lessor violates any requirement with respect to a covered  
34 rental dwelling unit under any certification or agreement entered into  
35 pursuant to paragraph (i) of subdivision (c) of this section, the  
36 commissioner shall recapture from the lessor an amount equal to the  
37 entire amount of assistance provided under this section that is attrib-  
38 utable to such dwelling unit and ensure that such amount is recaptured  
39 into the fund.

40 (g) There is authorized to be appropriated for the fund established  
41 pursuant to this section such sums as may be necessary to reimburse all  
42 lessors for all rent payments suspended pursuant to subdivision (a) of  
43 section four of this act.

44 (h) (i) Any lessor may apply for an exemption from one or more of the  
45 requirements set forth in subdivision (c) of this section and the  
46 commissioner shall grant exemptions from requirements set forth in  
47 subdivision (c) of this section upon determining that the lessor would  
48 otherwise suffer undue financial hardship resulting from the require-  
49 ments for which exemption is sought.

50 (ii) Any lessor aggrieved by the commissioner's decision on an appli-  
51 cation to the Fund or for a hardship exemption pursuant to paragraph (i)  
52 of this subdivision may within 30 days of the commissioner's decision  
53 seek judicial review pursuant to article 78 of the civil practice law  
54 and rules. In the event that the court may find that the decision of the  
55 commissioner constitutes the equivalent of a taking without compen-  
56 sation, it may, at the election of the commissioner, either set aside



1 the decision or order the payment of just compensation by the commis-  
2 sioner.

3 § 9. Assistance to public housing authorities. (a) The commissioner of  
4 housing and community renewal shall establish and manage a public hous-  
5 ing relief fund, or in this section referred to as "the public housing  
6 relief fund", to provide public housing authorities with funds to  
7 compensate for expenses related to COVID-19 and unpaid rent that would  
8 have been payable by residential tenants pursuant to 42 U.S.C. 1437a  
9 during the period from March 7, 2020 until the expiration of 90 days  
10 after the executive declares that the state disaster emergency has  
11 ended.

12 (b) The commissioner shall provide for public housing authorities to  
13 apply for payments from the public housing relief fund and shall promul-  
14 gate regulations establishing the procedural requirements for such  
15 applications.

16 (c) It is hereby declared to be the intent of the legislature that to  
17 the extent that any part of this section is inconsistent with article 4  
18 of the public housing law, this statute will prevail.

19 § 10. Civil action. (a) Any individual aggrieved by an adverse action  
20 taken by a lessor, affordable housing operator, public housing authori-  
21 ty, or mortgagee for exercising rights under section four or five of  
22 this act may commence a civil action under this section against the  
23 lessor, affordable housing operator, public housing authority, or mort-  
24 gagee violating such section in an appropriate state court or a local  
25 court of competent jurisdiction not later than 2 years after such  
26 violation occurs for damages under subdivision (b) of this section.

27 (b) Any lessor or mortgagee found to have taken adverse action against  
28 any lessee or mortgagor for exercising rights under section four or five  
29 of this act shall be liable:

30 (i) to the individual aggrieved by such violation, for any actual  
31 damages as a result of such adverse action; and

32 (ii) for a fine in the amount of:

33 (1) \$10,000, in the case of a violation that is the first violation by  
34 such lessor or mortgagee;

35 (2) \$20,000, in the case of a violation that is the second violation  
36 by such lessor or mortgagee; and

37 (3) \$100,000 or forfeiture of the property, in the case of a violation  
38 that is the third or subsequent violation by such lessor or mortgagee.

39 (c) In an action brought under this section, the court:

40 (i) may award preventative relief, including a permanent or temporary  
41 injunction or other order, to ensure the full rights granted by sections  
42 four and five of this act; and

43 (ii) shall award any prevailing plaintiff reasonable attorney's fees  
44 and costs.

45 (d) The attorney general may bring a civil action in any appropriate  
46 court against any individual or entity which violates section four or  
47 five of this act for fines under paragraph (ii) of subdivision (b) of  
48 this section.

49 § 11. Non-severability clause. If section four of this act is adjudged  
50 by a court of competent jurisdiction to be invalid, then sections six,  
51 seven and eight of this act shall also be deemed invalid and it is here-  
52 by declared to be the intent of the legislature that sections six, seven  
53 and eight of this act would not have been enacted if section four of  
54 this act had not been included herein.

55 § 12. Severability clause. If any clause, sentence, paragraph, subdivi-  
56 sion, section or part of this act other than section four of this act

1 shall be adjudged by a court of competent jurisdiction to be invalid,  
2 such judgment shall not affect, impair or invalidate the remainder ther-  
3 eof, but shall be confined in its operation to the clause, sentence,  
4 paragraph, subdivision, section or part thereof directly involved in the  
5 controversy in which such judgment shall have been rendered. It is here-  
6 by declared to be the intent of the legislature that this act would have  
7 been enacted even if such invalid provisions had not been included here-  
8 in.  
9 § 13. This act shall take effect immediately.