STATE OF NEW YORK

3051

2021-2022 Regular Sessions

IN ASSEMBLY

January 22, 2021

Introduced by M. of A. KIM, HEVESI, NIOU, SIMON, EPSTEIN, THIELE, WEPRIN -- read once and referred to the Committee on Judiciary

AN ACT to amend the eminent domain procedure law, in relation to permitting personal debt to be purchased and written-down; and to amend the economic development law, in relation to establishing the office of financial freedom

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

Section 1. The eminent domain procedure law is amended by adding a new section 708-a to read as follows:

§ 708-a. Acquisition of debt. The condemnor shall be authorized to acquire for public use, any condemnee's personal debt holdings including, but not limited to, student loan debt, medical debt, home loan debt, auto loan debt, credit card debt, small business loan debt and other consumer debt, in the same manner and procedure prescribed for the acquisition of real property under this chapter. The condemnor shall be authorized to write-down such acquired debt.

§ 2. The economic development law is amended by adding a new article 23 to read as follows:

ARTICLE 23

OFFICE OF FINANCIAL FREEDOM

Section 450. Office of financial freedom.

§ 450. Office of financial freedom. 1. There is hereby established within the department the office of financial freedom. The superintendent shall appoint the chief financial freedom officer and chief financial freedom economist who shall appoint staff and perform such other functions to ensure the efficient operation of the office within the amounts made available therefor by appropriation.

2. The office of financial freedom shall have the power and responsibility to:

(a) handle the monetization and cancelation of personal debt;

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

LBD06056-01-1

(b) create programs and initiatives to assist local communities in:

(i) utilizing section seven hundred eight-a of the eminent domain procedure law or any other applicable financial mechanism to purchase and cancel personal debt;

(ii) the construction or purchasing of debt;

(iii) implementing strategies that will help communities connect unmet needs with resources;

(iv) implementing strategies that will aid state and local authorities in the acquisition and write-down of debt; and

(v) coordinating efforts to turn personal debt into functioning currencies, including local currencies; and

(c) conduct workshops on financial topics and offer financial assistance and guidance to local communities interested in relieving personal debt.

3. For purposes of this section the term "personal debt" shall mean any debt that is owed by an individual and shall include, but shall not be limited to, student loan debt and consumer debt.

§ 3. This act shall take effect immediately.