AN ACT to establish a rental assistance loan-to-grant program to assist landlords of small rental properties who have lost rental income due to the inability of the landlords' tenants to pay rent during the COVID-19 state disaster emergency; and providing for the repeal of such provisions upon the expiration thereof

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

1 Section 1. (a) There shall be established in the New York Division of Housing and Community Renewal a rental assistance loan-to-grant program ("the program") to assist landlords of small rental properties who have lost rental income due to the inability of the landlord's tenants to pay rent during the period of the COVID-19 state disaster emergency declared pursuant to executive order 202 of 2020. The program shall be administered by the Commissioner of the New York Division of Housing and Community Renewal.

(b) The program shall provide loans to landlords of residential properties containing up to six rental units for the purpose of covering rent arrearages owed by tenants of the building who were unable to pay rent during the COVID-19 state disaster emergency due to unemployment or medical emergency and accrued during the state disaster emergency declared pursuant to executive order 202 of 2020. If a tenant subsequently pays the landlord the arrearages in rent, in whole or in part, the landlord shall pay such funds to the program as full or partial repayment of the loan. If a tenant does not pay the landlord the arrearages in rent, that portion of the loan from the program shall be converted by the Division of Housing and Community Renewal into a grant.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.
to the landlord and the landlord shall be held harmless from any obli-
gation to repay such portion of the loan, absent any fraud.

2. The program shall be funded with monies from the following sources:
   (a) all funds received by the state of New York from the federal Emer-
gency Rental Assistance program;
   (b) any funds remaining from monies allocated to the state of New York
      from the federal Coronavirus Aid, Relief, and Economic Security (CARES)
      Act of 2020 (P.L. 116-136) for the Emergency Rent Relief Act of 2020,
pursuant to chapter one hundred twenty-five of the laws of two thousand
twenty, such that the sum of such funds actually expended pursuant to
such chapter and that such funds reallocated and expended pursuant to
this article shall equal one hundred million dollars; and
   (c) any additional funds allocated by the federal government to the
      state of New York for emergency rental or utility assistance related to
      the COVID-19 pandemic.

3. The Commissioner of the New York State Division of Housing and
   Community Renewal will promulgate rules and regulations for the imple-
   mentation and administration of the program including, but not limited
   to:
   (i) standards of eligibility for the program;
   (ii) application procedures;
   (iii) a verification process for eligibility for the program;
   (iv) a process for distribution of program funds to eligible land-
      lords;
   (v) a verification process for payment by a tenant of rent arrearages
      or of the tenant's failure to do so;
   (vi) time frames for the processing of applications and the distrib-
      ution of funds under the program;
   (vii) procedures for and methods of repayment of loans in whole or
      in part by landlords; and
   (viii) procedures for the conversion of loans to grants, in whole or
      in part.

4. Nothing in this act shall be construed to relieve any tenant of any
   obligation to pay rent to a landlord pursuant to a valid rental agree-
   ment or understanding.

§ 2. This act shall take effect immediately and shall expire on the
later of December 31, 2021 or the date on which none of the provisions
that closed or otherwise restricted public or private businesses or
places of public accommodation, or required postponement or cancellation
of all non-essential gatherings of individuals of any size for any
reason in executive order numbers 202.3, 202.4, 202.5, 202.6, 202.7,
202.8, 202.10, 202.11, 202.13 or 202.14 of two thousand twenty, as
extended by executive order numbers 202.28 and 202.31 of two thousand
twenty and as further extended by any future executive order, issued in
response to the COVID-19 pandemic continue to apply anywhere in the
state, when upon such date the provisions of this act shall be deemed
repealed; provided that the state commissioner of social services shall
notify the legislative bill drafting commission upon the date on which
none of the provisions that closed or otherwise restricted public or
private businesses or places of public accommodation, or required post-
ponement or cancellation of all non-essential gatherings of individuals
of any size for any reason in executive order numbers 202.3, 202.4,
thousand twenty, as extended by executive order numbers 202.28 and
202.31 of two thousand twenty and as further extended by any future
executive order, issued in response to the COVID-19 pandemic continue to
apply anywhere in the state, in order that the commission may maintain
an accurate and timely effective data base of the official text of the
laws of the state of New York in furtherance of effectuating the
provisions of section 44 of the legislative law and section 70-b of the
public officers law.