STATE OF NEW YORK

7770

2023-2024 Regular Sessions

IN SENATE

November 27, 2023

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

AN ACT to amend the private housing finance law, in relation to establishing the manufactured home community preservation act; and to amend the public authorities law, in relation to the distribution of funds in the mortgage insurance 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 20-A to read as follows:

ARTICLE XX-A

MANUFACTURED HOME COMMUNITY PRESERVATION ACT

Section 1125. Definitions.

1126. State mobile and manufactured home communities preservation program.

1127. Financial support to acquire development rights or purchase mobile home and manufactured home parks.

§ 1125. Definitions. For the purposes of this article:

1. "Development rights" means the rights of the fee simple owner to develop, construct on, divide, sell, lease, or otherwise change the property from its current use as a mobile home or manufactured home park, or other affordable housing option as permitted by the land covenant at the time of sale. Development rights include the exercise of the owner's rights to sell or grant easements or rights of way, or other rights if by that exercise the use of the land as a mobile home or manufactured home park is diminished; provided, however, that the term "development rights" shall not include the rights of the owner to sell, lease, or otherwise improve the land to preserve, maintain, operate, or continue the land as a mobile home or manufactured home park or all other customary rights and privilege of ownership, including the right to privacy.

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

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2. "Current property value" means the fair market value of a property that is restricted by an easement or covenant to its use as a mobile home or manufactured home park rather than the highest or best potential use.

3. "Mobile home and manufactured home park protection agreement" means preemptive purchase rights or other provisions that are part of or linked to a protection conservation easement or covenant providing the easement holder the preferential right to purchase a protected mobile home and manufactured home park at its current use value in the event the landowner intends to sell such property to a purchaser who does not intend to maintain the property as a mobile home and manufactured home park.

§ 1126. State mobile and manufactured home communities preservation program. 1. The commissioner, or his or her authorized designee, shall initiate and maintain a state mobile and manufactured home communities preservation program to provide financial and technical assistance, within funds available to counties, municipalities, rural preservation companies, and other non-profit housing organizations for their housing preservation efforts.

2. For the purposes of such program, the commissioner shall be authorized to:

(a) develop guidelines for eligibility and an application process for financial assistance;

(b) provide technical assistance or contract with the rural housing coalition to provide technical assistance to eligible entities;

(c) disseminate information to local governments, mobile home and manufactured home park residents, and housing organizations about the preservation program; and

(d) report biennially to the governor and the legislature regarding the activities of the commissioner with regards to the program, including the types of technical assistance provided, the amount of financial assistance provided, and the number of mobile home parks preserved through the program.

§ 1127. Financial support to acquire development rights or purchase mobile home and manufactured home parks. Within the limit of funds available in the mortgage insurance fund established pursuant to section twenty-four hundred twenty-nine-b of the public authorities law, the commissioner is hereby authorized to provide financial support to local governments or eligible non-profit housing organizations, such as rural preservation companies, land banks or community land trusts to acquire the development rights or outright purchase of mobile home and manufactured home parks. Such funds may be used to administer and assist with the relocation of residents and/or their mobile or manufactured homes to other locations within the state as per regulations promulgated by the commissioner.

§ 2. Subdivision 1-a of section 2429-b of the public authorities law, as amended by section 13 of chapter 3 of the laws of 2004, is amended to read as follows:

1-a. All moneys held in the mortgage insurance fund, except as hereinafter provided, shall be used, as required, solely for the payment of the agency's liabilities arising from mortgages insured as provided in section twenty-four hundred twenty-nine-a of this part and from the provision of development corporation credit support as provided in section twenty-four hundred twenty-eight-a of this part and for the provision of financial support to local governments and eligible non-profit housing organizations pursuant to section eleven hundred twenty-

seven of the private housing finance law; provided, however, that no moneys shall be withdrawn from any account at any time in such amount as would reduce the amount of, as applicable, the special account, either pool insurance account or the development corporation credit support account to less than its applicable mortgage insurance fund requirement, except for the purpose of paying such liabilities as the same become due and for the payment of which other moneys of the agency are not available. All payments pursuant to section twenty-four hundred twenty-nine-a of this part, and expenses attributable thereto shall be debited to the special account or the single family pool insurance account or the project pool insurance account or the development corporation credit support account, as appropriate, within the mortgage insurance fund. All other operating expenses of the agency with respect to insurance of mortgages and providing development corporation credit support shall be debited to the special account, the single family pool insurance account, the project pool insurance account or the development corporation credit support account within the mortgage insurance fund, as appropriate.

§ 3. Subdivision 1-a of section 2429-b of the public authorities law, as amended by section 15 of chapter 3 of the laws of 2004, is amended to read as follows:

1-a. All moneys held in the mortgage insurance fund, except as hereinafter provided, shall be used, as required, solely for the payment of the agency's liabilities arising from mortgages insured as provided in section twenty-four hundred twenty-nine-a of this part and from the provision of development corporation credit support as provided in section twenty-four hundred twenty-eight-a of this part and for the provision of financial support to local governments and eligible non-profit housing organizations pursuant to section eleven hundred twenty-seven of the private housing finance law; provided, however, that no moneys shall be withdrawn from any account at any time in such amount as would reduce the amount of, as applicable, the special account or the development corporation credit support account to less than its applicable mortgage insurance fund requirement, except for the purpose of paying such liabilities as the same become due and for the payment of which other moneys of the agency are not available. All payments pursuant to section twenty-four hundred twenty-nine-a of this part, and expenses attributable thereto shall be debited to the special account or the development corporation credit support account within the mortgage insurance fund. All other operating expenses of the agency with respect to insurance of mortgages and providing development corporation credit support shall be debited to the special account or the development corporation credit support account within the mortgage insurance fund, as appropriate.

§ 4. This act shall take effect immediately; provided, however, that the amendments to subdivision 1-a of section 2429-b of the public authorities law made by section two of this act shall be subject to the expiration and reversion of such subdivision pursuant to section 19 of chapter 555 of the laws of 1989, as amended, when upon such date the provisions of section three of this act shall take effect.