

STATE OF NEW YORK

8828

IN SENATE

March 19, 2024

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the private housing finance law, in relation to requiring certain out-of-state affordable housing owners to maintain an escrow account for the purpose of financing utility costs and tax obligations for affordable housing rental units located in New York state

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

1 Section 1. The private housing finance law is amended by adding a new
2 section 615 to read as follows:

3 § 615. Out-of-state affordable housing owner escrow account. 1. For
4 the purposes of this section, the following terms shall have the follow-
5 ing meanings:

6 (a) "HUD" shall mean the federal department of housing and urban
7 development.

8 (b) "Out-of-state affordable housing owner" shall mean an affordable
9 housing development company that:

10 (i) is located outside of New York state;

11 (ii) owns twenty or more affordable housing rental units located in
12 New York state; and

13 (iii) receives federal funding pursuant to a HUD-administered program
14 or initiative.

15 2. (a) Every out-of-state affordable housing owner shall maintain an
16 escrow account for the purpose of financing utility costs and tax obli-
17 gations for affordable housing rental units located in New York state.

18 (b) Such escrow account shall contain fifty percent of:

19 (i) such owner's property tax obligations for affordable housing
20 rental units located in New York state for the prior tax year; and

21 (ii) utility costs for affordable housing rental units located in New
22 York state for the previous twelve months.

23 § 2. This act shall take effect on the sixtieth day after it shall
24 have become a law.

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

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