

STATE OF NEW YORK

7828--A

2025-2026 Regular Sessions

IN ASSEMBLY

April 11, 2025

Introduced by M. of A. TORRES -- read once and referred to the Committee on Housing -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the private housing finance law, in relation to creating an affordable housing insurance relief fund program; and providing for the repeal of such provisions upon expiration thereof

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 article 33 to read as follows:

ARTICLE XXXIII

AFFORDABLE HOUSING INSURANCE RELIEF FUND PROGRAM

Section 1301. Definitions.

1302. Affordable housing insurance relief fund program.

1303. Program criteria.

1304. Funding criteria.

1305. Funding.

1306. Annual report.

1307. Stakeholder advisory group.

1308. Disposition upon expiration.

3 § 1301. Definitions. For the purposes of this article, the following
4 terms shall have the following meanings:

5 1. "Corporation" shall mean the housing trust fund corporation estab-
6 lished in section forty-five-a of this chapter.

7 2. "Program" shall mean the affordable housing insurance relief fund
8 program established under this article.

9 3. "Eligible project" shall mean a proposed, one hundred percent
10 affordable or supportive multifamily rental property subject to a regu-
11 latory agreement with one or more municipal, state, or federal housing
12 agencies.

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

LBD11421-04-5

1 4. "Eligible applicant" shall include for-profit and not-for-profit
2 affordable housing developers that have a regulatory agreement with one
3 or more municipal, state, or federal housing agencies which will be
4 applicable to one hundred percent of the housing units on the property
5 upon completion of the property's development.

6 5. "Commercial insurance expenses" shall mean premiums and related
7 costs paid by eligible applicants for insurance policies that provide
8 coverage for commercial property damage, general liability, excess
9 liability, or umbrella liability risks associated with the operation and
10 maintenance of affordable housing developments. Such policies shall be
11 customarily issued under commercial habitational insurance lines.

12 § 1302. Affordable housing insurance relief fund program. Within
13 amounts appropriated or otherwise available therefor, the housing trust
14 fund corporation shall develop and administer an affordable housing
15 insurance relief fund program which shall provide aid in the form of
16 payments and grants for reasonable and necessary commercial insurance
17 expenses to eligible applicants for the development of affordable hous-
18 ing properties in accordance with this article.

19 § 1303. Program criteria. 1. The corporation shall develop procedures,
20 criteria and requirements for the program related to the competitive
21 application for and award of grants pursuant to this article which shall
22 include, but not be limited to: eligibility, market demand, feasibility
23 and funding criteria; the funding determination process; supervision and
24 evaluation of contracting applicants; reporting, budgeting and record-
25 keeping requirements; provisions for modification and termination of
26 contracts; and such other matters not inconsistent with the purposes and
27 provisions of this article as the corporation shall deem necessary or
28 appropriate.

29 2. The corporation may prioritize awards to eligible projects that
30 demonstrate a material increase in the cost of maintaining required
31 commercial insurance coverage. Such prioritization shall be based on
32 documented evidence of: (a) premium increases exceeding industry bench-
33 marks; (b) loss of carrier availability or reductions in policy coverage
34 limits; or (c) other market-based indicators of insurance cost volatili-
35 ty. For the purposes of this section, all applicants shall be presumed
36 to have obtained commercial insurance coverage sufficient to meet
37 financing or regulatory compliance obligations, and the inability to
38 obtain insurance shall not be construed as a prerequisite to program
39 eligibility.

40 3. The corporation may prioritize eligible projects with demonstrated
41 insurance access barriers, financial vulnerability, or other indicators
42 of critical need.

43 § 1304. Funding criteria. 1. The amount of assistance provided under
44 this program shall not exceed three thousand dollars per income-res-
45 tricted housing unit per calendar year, and shall not exceed two million
46 dollars in total assistance per eligible project per calendar year. The
47 corporation shall establish a methodology to determine appropriate award
48 levels based on factors including, but not limited to: (a) documented
49 increases in commercial insurance premiums relative to a baseline year;
50 (b) the total number of income-restricted units in the project; and (c)
51 the risk classification or loss experience of the development, as appli-
52 cable.

53 2. The corporation shall have the authority to adjust the maximum
54 award amounts set forth in this article, including the per-unit and
55 per-project caps, to account for inflation or significant changes in
56 market conditions. Any such adjustments shall be made in accordance with

1 a methodology established by the corporation, published in the state
2 register, and reported in the annual report required under section thir-
3 teen hundred six of this article.

4 § 1305. Funding. Subject to appropriations for this program, the
5 corporation in its sole discretion shall authorize all funding decisions
6 and make all award determinations.

7 § 1306. Annual report. The corporation shall, on or before June thir-
8 tieth in each year submit a report to the legislature and the governor
9 on the implementation of this article. Such report shall include, but
10 not be limited to, the number of applications received by the end of the
11 preceding calendar year, the total dollar amount of such applications,
12 and the disposition of such applications; and for each award made to a
13 grantee under this article, a description of such award, the contract
14 amount and cumulative total, and such other information as the corpo-
15 ration deems pertinent.

16 § 1307. Stakeholder advisory group. The corporation may convene a
17 stakeholder advisory group composed of representatives from affordable
18 housing development, insurance markets, nonprofit organizations, tenant
19 advocates, and local governments. The advisory group shall assist in
20 reviewing program implementation, equity considerations, and recommend
21 improvements to support long-term affordability and sustainability.

22 § 1308. Disposition upon expiration. Upon the expiration of this arti-
23 cle, the corporation shall continue to administer and enforce all
24 contracts, awards, and obligations entered into prior to such expiration
25 in accordance with their terms. Any unencumbered funds appropriated for
26 the purposes of this article that remain at the time of expiration shall
27 be returned to the state treasury or reallocated in a manner consistent
28 with legislative intent, as determined by the corporation in consulta-
29 tion with the division of the budget. The expiration of this article
30 shall not impair or affect the rights or obligations of any party under
31 any contract executed pursuant to this article prior to its repeal.

32 § 2. This act shall take effect on the first of January next succeed-
33 ing the date on which it shall have become a law and shall expire and
34 be deemed repealed twenty years after such effective date. Effective
35 immediately, the addition, amendment and/or repeal of any rule or regu-
36 lation necessary for the implementation of this act on its effective
37 date are authorized to be made and completed on or before such effective
38 date.