

# STATE OF NEW YORK

9255

2025-2026 Regular Sessions

## IN ASSEMBLY

November 21, 2025

Introduced by M. of A. BARRETT -- read once and referred to the Committee on Housing

AN ACT to amend the public housing law, in relation to establishing the build up New York pilot program and the mass timber for affordable housing program; and to amend the tax law, in relation to establishing tax credits for the mass timber for affordable housing program; and providing for the repeal of certain provisions upon expiration thereof

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

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "facilitating resilient affordable mass timber expansion act" or the  
3 "FRAME act".

4 § 2. Legislative intent. The legislature finds that mass timber is a  
5 sustainable, resilient, and efficient construction material that can  
6 reduce greenhouse gas emissions, lower construction costs, and acceler-  
7 ate housing production. The use of mass timber supports New York's  
8 climate goals, promotes workforce development, and strengthens supply  
9 chains for renewable building products. The purpose of this act is to:

10 1. Pilot the use of mass timber in affordable housing retrofits and  
11 additions;

12 2. Provide tax incentives to encourage adoption of mass timber in  
13 affordable housing projects; and

14 3. Spur investment in facilities and machinery that produce mass  
15 timber products within New York state.

16 § 3. The public housing law is amended by adding a new article 16 to  
17 read as follows:

### ARTICLE XVI

#### BUILD UP NEW YORK PILOT PROGRAM

##### Section 660. Definitions.

21 661. Build up New York pilot program.

22 662. Prevailing wage requirements.

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

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1 program by the division. Possession of a certificate of eligibility does  
2 not by itself guarantee eligibility to claim the tax credit.

3 3. "Certificate of tax credit" means the document issued to a partic-  
4 ipant by the division, after the division has verified that the partic-  
5 ipant has met all applicable eligibility criteria pursuant to this arti-  
6 cle. The certificate of tax credit shall specify the exact amount of the  
7 tax credit allowed pursuant to this article that a participant may claim  
8 and shall specify the taxable year in which such tax credit may be  
9 claimed.

10 4. "Participant" means a business entity that:

11 (a) has completed an application prescribed by the division to be  
12 admitted into the program;

13 (b) has been issued a certificate of eligibility by the division;

14 (c) has demonstrated that it meets the eligibility criteria in section  
15 six hundred seventy-one of this article; and

16 (d) has been certified as a participant by the commissioner.

17 5. "Qualifying affordable housing project" means new construction, or  
18 a major retrofit of an existing building, that will primarily serve  
19 households up to one hundred fifty percent of the area median income.

20 6. "Mass timber" means engineered wood products such as laminated  
21 veneer lumber, parallel strand lumber, cross-laminated timber, dowel  
22 laminated timber, nail laminated timber, glue-laminated timber, glue-la-  
23 minated beams and columns, and structural sawn lumber.

24 § 671. Eligibility criteria. Eligibility criteria for the mass timber  
25 for affordable housing program shall require that participants:

26 1. primarily utilize mass timber in qualifying affordable housing  
27 projects;

28 2. be in compliance with all worker protection and environmental laws  
29 and regulations; and

30 3. not owe past due state taxes or local property taxes unless the  
31 participant is making payments and complying with an approved binding  
32 payment agreement entered into with the taxing authority.

33 § 672. Application and approval process. 1. Applicants for the program  
34 shall submit a completed application in such form and with such informa-  
35 tion as prescribed by the commissioner. The application shall require  
36 that applicants:

37 (a) agree to allow the department of taxation and finance to share the  
38 applicant's tax information with the division; provided, however, that  
39 any information shared as a result of such agreement shall not be avail-  
40 able for disclosure or inspection under the state freedom of information  
41 law;

42 (b) agree to allow the department of labor to share the applicant's  
43 employer information with the division; provided, however, that any  
44 information shared as a result of this agreement shall not be available  
45 for disclosure or inspection under the state freedom of information law;

46 (c) allow the division and its agents access to any and all books and  
47 records that the division may require to monitor compliance; and

48 (d) certify, under penalty of perjury, that the applicant is in  
49 substantial compliance with all environmental, worker protection, and  
50 local, state, and federal tax laws.

51 2. After reviewing an applicant's completed application and determin-  
52 ing that the applicant will meet the requirements of this section, the  
53 division may admit the applicant into the program and provide such  
54 applicant with a certificate of eligibility.

55 3. In order to become a participant in the program, an applicant shall  
56 submit evidence, in such form as the commissioner may prescribe, that

1 such applicant satisfies the eligibility criteria set forth in section  
2 six hundred seventy-one of this article. After reviewing such evidence,  
3 if the division finds that the applicant satisfies the eligibility  
4 criteria, then the division shall certify the applicant as a participant  
5 and issue to such participant a certificate of tax credit.

6 § 673. Powers and duties of the commissioner. 1. The commissioner  
7 shall promulgate regulations consistent with the purposes of this arti-  
8 cle which, notwithstanding any provisions to the contrary in the state  
9 administrative procedure act, may be adopted on an emergency basis. Such  
10 regulations shall include, but not be limited to, establishing an appli-  
11 cation process and eligibility criteria for business entities desiring  
12 to participate in the mass timber for affordable housing program so as  
13 not to exceed the annual cap on tax credits set forth in section six  
14 hundred seventy-four of this article and such other provisions as the  
15 commissioner deems to be appropriate to implement the provisions of this  
16 article.

17 2. The commissioner shall, in consultation with the department of  
18 taxation and finance, develop a certificate of tax credit that shall be  
19 issued by the commissioner to participants. Participants shall be  
20 required to include the certificate of tax credit with their tax return  
21 to receive any tax benefits under this article.

22 3. The commissioner shall solely determine the eligibility of any  
23 applicant applying for entry into the program and shall remove any  
24 participant from the program for failing to meet any of the requirements  
25 set forth in section six hundred seventy-one of this article.

26 § 674. Mass timber for affordable housing tax credit. A participant in  
27 the mass timber for affordable housing program shall be for a credit  
28 against the costs of purchasing mass timber for a qualifying affordable  
29 housing project in New York state. The amount of such credit shall be  
30 equal to twenty-five percent of the cost.

31 § 675. Reporting. The division, beginning February first, two thousand  
32 twenty-eight, and annually thereafter provided program funds remain,  
33 shall submit a report to the governor, the temporary president of the  
34 senate, and the speaker of the assembly. Such annual report shall  
35 include, but need not be limited to: the number of participants approved  
36 for the program; the geographical distribution of participants; the  
37 total amount of tax credits provided through the mass timber for afford-  
38 able housing tax credit; the number of new units created; and such other  
39 information as the commissioner determines is necessary and appropriate.  
40 Such reports shall be included on the division's website and be made  
41 publicly available.

42 § 5. Section 210-B of the tax law is amended by adding a new subdivi-  
43 sion 63 to read as follows:

44 63. Mass timber for affordable housing tax credit. (a) Allowance of  
45 credit. (1) A taxpayer that has been approved by the commissioner of  
46 homes and community renewal to participate in the mass timber for  
47 affordable housing program and has been issued a certificate of tax  
48 credit pursuant to section six hundred seventy-two of the public housing  
49 law shall be allowed to claim a credit against the tax imposed by this  
50 article. The credit shall equal up to twenty-five percent of costs  
51 directly attributable to the design, procurement, and installation of  
52 mass timber in qualified affordable housing projects. In no event shall  
53 a taxpayer be allowed a credit greater than the amount of credit listed  
54 on the certificate of tax credit issued by the commissioner of homes and  
55 community renewal. No cost or expense paid or incurred by the taxpayer

1 that is the basis for this credit shall be the basis for any other tax  
2 credit provided by this chapter.

3 (2) In addition to the credit authorized pursuant to subparagraph one  
4 of this paragraph, for any property that is principally used by a  
5 taxpayer who qualifies for the credit authorized pursuant to subpara-  
6 graph one of this paragraph for the purposes of producing, processing or  
7 assembling mass timber, as defined in subdivision six of section six  
8 hundred seventy of the public housing law, the percentage to be used to  
9 compute the credit allowed under this subdivision shall be an additional  
10 ten percent.

11 (b) Application of credit. The credit allowed under this subdivision  
12 for any taxable year may not reduce the tax due for such year to less  
13 than the amount prescribed in paragraph (d) of subdivision one of  
14 section two hundred ten of this article. However, if the amount of cred-  
15 it allowed under this subdivision for any taxable year reduces the tax  
16 to such amount, or if the taxpayer otherwise pays tax based on the fixed  
17 dollar minimum amount, any amount of credit thus not deductible in that  
18 taxable year will be treated as an overpayment of tax to be credited or  
19 refunded in accordance with the provisions of section one thousand  
20 eighty-six of this chapter. Provided, however, the provisions of  
21 subsection (c) of section one thousand eighty-eight of this chapter  
22 notwithstanding, no interest will be paid thereon.

23 (c) Reporting. The taxpayer shall attach to its tax return its certif-  
24 icate of tax credit issued by the commissioner of homes and community  
25 renewal pursuant to section six hundred seventy-two of the public hous-  
26 ing law. In no event shall the taxpayer be allowed a credit greater than  
27 the amount of the credit listed on the certificate of tax credit, or in  
28 the case of a taxpayer who is a partner in a partnership, a member of a  
29 limited liability company, or shareholder in an S corporation, its pro  
30 rata share of the amount of credit listed on the certificate of tax  
31 credit.

32 (d) Credit recapture. If a certificate of eligibility or a certificate  
33 of tax credit issued by the division of homes and community renewal  
34 under article seventeen of the public housing law is revoked by such  
35 division because the taxpayer does not meet the eligibility requirement  
36 set forth in section six hundred seventy-one of the public housing law,  
37 the amount of credit described in this subdivision and claimed by the  
38 taxpayer prior to that revocation shall be added back to tax in the  
39 taxable year in which any such revocation becomes final.

40 § 6. Section 606 of the tax law is amended by adding a new subsection  
41 (uuu) to read as follows:

42 (uuu) Mass timber for affordable housing tax credit. (1) Allowance of  
43 credit. (A) A taxpayer that has been approved by the commissioner of  
44 homes and community renewal to participate in the mass timber for  
45 affordable housing program and has been issued a certificate of tax  
46 credit pursuant to section six hundred seventy-two of the public housing  
47 law shall be allowed to claim a credit against the tax imposed by this  
48 article. The credit shall equal up to twenty-five percent of costs  
49 directly attributable to the design, procurement, and installation of  
50 mass timber in qualified affordable housing projects. In no event shall  
51 a taxpayer be allowed a credit greater than the amount of credit listed  
52 on the certificate of tax credit issued by the commissioner of homes and  
53 community renewal. In the case of a taxpayer who is a partner in a part-  
54 nership, member of a limited liability company or shareholder in an S  
55 corporation, the taxpayer shall be allowed its pro rata share of the  
56 credit earned by the partnership, limited liability company, or S corpo-

1 ration. No cost or expense paid or incurred by the taxpayer that is the  
2 basis for this credit shall be the basis for any other tax credit  
3 provided by this chapter.

4 (B) In addition to the credit authorized pursuant to subparagraph (A)  
5 of this paragraph, for any property that is principally used by a  
6 taxpayer who qualifies for the credit authorized pursuant to subpara-  
7 graph (A) of this paragraph for the purposes of producing, processing or  
8 assembling mass timber, as defined in subdivision six of section six  
9 hundred seventy of the public housing law, the percentage to be used to  
10 compute the credit allowed under this subsection shall be an additional  
11 ten percent.

12 (2) Application of credit. If the amount of the credit allowed under  
13 this subsection for any taxable year exceeds the taxpayer's tax for the  
14 taxable year, the excess shall be treated as an overpayment of tax to be  
15 credited or refunded in accordance with the provisions of section six  
16 hundred eighty-six of this article, provided, however, no interest will  
17 be paid thereon.

18 (3) Reporting. The taxpayer shall attach to its tax return its certif-  
19 icate of tax credit issued by the commissioner of homes and community  
20 renewal pursuant to section six hundred seventy-two of the public hous-  
21 ing law. In no event shall the taxpayer be allowed a credit greater than  
22 the amount of the credit listed on the certificate of tax credit, or in  
23 the case of a taxpayer who is a partner in a partnership, a member of a  
24 limited liability company, or shareholder in an S corporation, its pro  
25 rata share of the amount of credit listed on the certificate of tax  
26 credit.

27 (4) Credit recapture. If a certificate of eligibility or a certificate  
28 of tax credit issued by the division of homes and community renewal  
29 under article seventeen of the public housing law is revoked by such  
30 division because the taxpayer does not meet the eligibility requirement  
31 set forth in section six hundred seventy-one of the public housing law,  
32 the amount of credit described in this subsection and claimed by the  
33 taxpayer prior to that revocation shall be added back to tax in the  
34 taxable year in which any such revocation becomes final.

35 § 7. This act shall take effect immediately and shall apply to taxable  
36 years beginning on or after January 1, 2026; provided, however, that  
37 section three of this act shall expire and be deemed repealed five years  
38 after such effective date.