STATE OF NEW YORK

9120

IN SENATE

February 4, 2026

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to establishing the senior homeowner foreclosure and rehabilitation revolving loan program administered by the state of New York mortgage agency (SONYMA)

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

Section 1. The public authorities law is amended by adding a new section 2405-g to read as follows:

§ 2405-g. Senior homeowner foreclosure and rehabilitation revolving loan program. (1) For purposes of this section:

(a) "Senior homeowner" means a natural person who is sixty-two years of age or older and owns a single-family residence within the state of New York.

(b) "Eligible property" means a single-family residence owned and occupied by a senior homeowner, including attached accessory structures and systems essential for habitability.

(c) "Eligible assistance" means financial support provided for one or more of the following purposes: mortgage payment assistance to prevent foreclosure, repair or replacement of essential home systems including boilers, heating, plumbing, electrical, and other capital repairs necessary to maintain habitability, and remediation of health and safety hazards.

(d) "Program" means the senior homeowner foreclosure and rehabilitation revolving loan program established under this section.

(2) (a) There is hereby established within the agency a program to be known as the senior homeowner foreclosure and rehabilitation revolving loan program.

(b) The program shall consist of moneys appropriated by the legislature, repayments of principal and interest on loans made from the program, interest earnings, federal, private, or philanthropic contributions, and any other moneys made available for its purposes.

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

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(c) Moneys in the program shall be continuously available and shall not lapse.

(3) (a) The agency is authorized to make low-interest loans, deferred payment loans, or forgivable loans, or a combination thereof, to eligible senior homeowners for eligible assistance.

(b) Loan terms may include below-market interest rates, extended amortization periods, interest-only or deferred payment periods, and technical assistance as determined by the agency.

(c) Loans shall be secured by a mortgage, note, or other appropriate security interest, except where forgivable loan structures are authorized by program guidelines.

(d) Administrative, outreach, and marketing expenditures, including program materials, community-based outreach, and applicant technical assistance, shall not exceed one percent of the total annual appropriation for the program and shall not include general agency overhead or unrelated personnel costs.

(4) (a) To be eligible for assistance, a senior homeowner shall:

(i) demonstrate financial need and an inability to make mortgage payments or maintain essential home systems without assistance;

(ii) certify that the eligible property is occupied as their primary residence; and

(iii) agree to comply with all applicable housing maintenance, building, and fire codes.

(b) As a condition of receiving assistance:

(i) no senior shall be displaced as a result of rehabilitation activities; and

(ii) the agency may require affordability covenants for a defined period commensurate with the amount and terms of assistance.

(5) In awarding assistance, the agency shall prioritize:

(a) senior homeowners at imminent risk of foreclosure;

(b) properties with essential systems in need of immediate repair or replacement, including heating and boilers; and

(c) senior homeowners with documented financial hardship that limits their ability to maintain the property or make mortgage payments.

(6) (a) The agency shall submit an annual report to the governor, the temporary president of the senate, and the speaker of the assembly detailing program activity, including number of loans made, types of assistance provided, repayment performance, and fund balance.

(b) The program and its administration shall be subject to audit by the state comptroller.

(7) Severability. If any provision of this section or its application shall be adjudged invalid, such judgment shall not affect or impair the validity of the remainder of the section.

§ 2. This act shall take effect immediately. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.