STATE OF NEW YORK

8107

2025-2026 Regular Sessions

IN ASSEMBLY

April 30, 2025

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

AN ACT to amend the private housing finance law, in relation to subsidizing closing costs for low income tenants who are purchasing a home

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 section 615 to read as follows:

§ 615. Tenant to homeownership initiative. 1. For purposes of this section, "low income or rent subsidized apartment" shall mean an apartment in which the tenant's household income level qualifies them to receive state funds used towards the monthly amount of rent owed.

2. The division of housing and community renewal shall create the process, access the applications, distribute the funds and provide any other administrative functions for the tenant to homeownership initiative. The state shall subsidize a portion of the closing costs required of any buyer who is purchasing a home located within the state if they shall meet the following requirements:

(a) the buyer has been a resident of the state for five years prior to entering into a purchase contract to buy a home; and

(b) the buyer has been a tenant of a public housing project or in a low income or rent subsidized apartment for the entirety of such five year period.

3. If a buyer meets the requirements of subdivision two of this section, the state shall subsidize the following amounts for such buyer to be used towards such closing costs:

(a) one thousand dollars if such buyer has resided in a public housing project; or

(b) five hundred dollars if such buyer has resided in a low income or rent subsidized apartment unit.

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

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<u>4. This section shall apply only to buyers who receive approval and are financing such purchase with a conventional or federal housing administration (FHA) loan.</u>

<u>5. The state shall claw back any subsidized amount provided to any buyer who qualified and received such subsidized amount from the state under this section if such buyer sells or transfers the title of the subject property within a period of three years from the date of closing.</u>

§ 2. This act shall take effect immediately.