

# STATE OF NEW YORK

3150

2025-2026 Regular Sessions

## IN SENATE

January 23, 2025

Introduced by Sen. COONEY -- 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 establishing the New York state first home grant program; and to amend the tax law, in relation to excluding the amount of any grant to any first time home buyer awarded or any federal first time home buyer grant program from taxable income for the purpose of calculating New York adjusted gross income

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 "Home Ownership Market Expansion Act" or "HOME Act".

3 § 2. The private housing finance law is amended by adding a new arti-  
4 cle 33 to read as follows:

### ARTICLE 33

#### NEW YORK STATE FIRST HOME GRANT PROGRAM

7 Section 1300. Program established.

8 1301. Definitions.

9 1302. Functions of the commissioner.

10 1303. Program requirements.

11 § 1300. Program established. Within amounts appropriated or otherwise  
12 available therefor, the division of homes and community renewal shall  
13 establish a first home grant program.

14 § 1301. Definitions. As used in this article, the following terms  
15 shall have the following meanings:

16 1. "First time home buyer" shall mean an individual or individuals, at  
17 least one of whom has not had an ownership interest in a principal resi-  
18 dence at any time, including residences owned in the United States or  
19 abroad. No such individual shall own any other home including vacation  
20 or investment residences, including residences owned in the United

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

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1 States or abroad, except as otherwise provided in this subdivision. If  
2 an individual's only potentially disqualifying present ownership inter-  
3 est is ownership of a mobile or manufactured home, the individual shall  
4 be considered a first time home buyer. For the purposes of this article  
5 a "mobile or manufactured home" shall mean a structure that is valued as  
6 personal property and not real property. If, due to such individual's  
7 ownership of a mobile or manufactured home, such individual has claimed  
8 a real estate tax or home mortgage deduction on such individual's  
9 personal income tax returns, such individual shall not be considered a  
10 first time home buyer regardless of whether the mobile or manufactured  
11 home was considered personal or real property.

12 2. "Ownership interest" shall mean a fee simple interest, a joint  
13 tenancy, a tenancy in common, a tenancy by the entirety, the interest of  
14 a tenant-share holder in a cooperative, a life estate or a land  
15 contract. Interests which do not constitute ownership interests include  
16 the following: (a) remainder interests, (b) a lease with or without an  
17 option to purchase, (c) a mere expectancy to inherit an interest in a  
18 residence, (d) the interest that a purchaser of a residence acquires on  
19 the execution of a purchase contract and (e) an interest in real estate  
20 other than a residence.

21 3. "Program" shall mean the New York first home grant program estab-  
22 lished pursuant to this article.

23 § 1302. Functions of the commissioner. 1. The commissioner, in consul-  
24 tation with the state comptroller, shall implement the program under the  
25 terms and conditions established by this article.

26 2. In furtherance of such implementation the commissioner shall:

27 (a) develop and implement the program in a manner consistent with the  
28 provisions of this article through rules and regulations established in  
29 accordance with the state administrative procedure act;

30 (b) engage the services of consultants on a contract basis for render-  
31 ing professional and technical assistance and advice;

32 (c) make changes to the program required for the participants in the  
33 program to obtain the state benefits or treatment provided by this arti-  
34 cle;

35 (d) charge, impose and collect administrative fees and service charges  
36 in connection with any agreement, contract or transaction relating to  
37 the program;

38 (e) develop marketing plans and promotion materials;

39 (f) establish the methods by which the grants be dispersed;

40 (g) establish the method by which funds shall be allocated to pay for  
41 administrative costs; and

42 (h) do all things necessary and proper to carry out the purposes of  
43 this article.

44 § 1303. Program requirements. 1. Amounts from a grant under this arti-  
45 cle shall be used only to provide assistance:

46 (a) on behalf of a first time home buyer qualified under this article;  
47 and

48 (b) for:

49 (i) costs in connection with the acquisition, involving an eligible  
50 mortgage loan, of an eligible home, including downpayment costs, closing  
51 costs, and costs to reduce the rates of interest on eligible mortgage  
52 loans;

53 (ii) subsidies to make shared equity homes affordable to home buyers  
54 by discounting the price for which the home will be sold and to preserve  
55 the affordability of the home for subsequent home buyers; and

1 (iii) pre-occupancy home modifications required to accommodate quali-  
2 fied home buyers or members of the home buyer's household with disabili-  
3 ties.

4 2. Any grant awarded pursuant to this article:

5 (a) may be provided on behalf of any first time home buyer only once;  
6 and

7 (b) shall be in the total amount of ten thousand dollars.

8 3. Grant amounts received by a first time home buyer pursuant to this  
9 article shall be considered to supplement any other state or federal  
10 assistance provided to such home buyer for the acquisition of such home.

11 4. Any first time home buyer awarded a grant pursuant to this article  
12 shall maintain primary residence at such property for a five year period  
13 following acquisition of such property. The commissioner shall require  
14 that any first time home buyer awarded a grant pursuant to this article  
15 who fails or ceases to occupy the property acquired using such assist-  
16 ance as the primary residence of such home buyer, except in the case of  
17 assistance provided in connection with the purchase of a principal resi-  
18 dence through a shared equity homeownership program, such home buyer  
19 shall repay to the commissioner a proportional amount of the assistance  
20 such home buyer receives based on the number of years the home buyer has  
21 occupied the eligible home.

22 § 3. Subsection (c) of section 612 of the tax law is amended by adding  
23 a new paragraph 48 to read as follows:

24 (48) The amount of any grant to any first time home buyer awarded  
25 pursuant to article thirty-three of the private housing finance law or  
26 any federal first time home buyer grant program shall not be considered  
27 taxable income for the purpose of calculating New York adjusted gross  
28 income, irrespective of whether it is considered taxable income for  
29 federal income tax purposes.

30 § 4. This act shall take effect on the one hundred eightieth day after  
31 it shall have become a law. Effective immediately, the commissioner of  
32 the division of housing and community renewal and the comptroller are  
33 authorized to promulgate any rules or regulations necessary to implement  
34 the provisions of this act on its effective date on or before such  
35 effective date.