STATE OF NEW YORK

7181

2025-2026 Regular Sessions

IN SENATE

April 3, 2025

Introduced by Sen. CLEARE -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to direct the division of housing and community renewal to study state and locally aided housing programs and make recommendations for the preservation, modernization and increase in the supply of such housing; to amend the private housing finance law, in relation to providing a moratorium on the voluntary dissolution of limited profit, limited dividend and redevelopment housing companies; 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:

Section 1. Legislative intent. New York state and its localities have invested for more than a half century in the creation of low and middle income housing to benefit those most in need and to the general benefit of state and local economies. In many cases such housing has fallen into disrepair or is being lost as affordable housing due to statutory provisions allowing owners to dissolve housing companies. The unmet need for affordable housing is presently greater than at any time in the state's history. A temporary moratorium on the dissolution of any housing company is necessary for the division of housing and community renewal to complete its work and make recommendations.

§ 2. The division of housing and community renewal shall undertake a comprehensive study of the present status of state and locally aided low and middle income housing programs and make recommendations with respect to the preservation, modernization and expansion of the number of housing units provided by such programs. Such recommendations shall include, but not be limited to, methods that may be employed by state and local governments to retain and expand the existing inventory of state and locally aided low and middle income housing so as to preserve such

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

LBD11517-01-5

inventory of affordable housing for the persons and families such housing is designed to serve.

§ 3. The division of housing and community renewal shall make a report to the governor and the legislature of its findings, conclusions and recommendations no later than one year after the effective date of this act and shall submit with its report such legislative proposals as it deems necessary to implement its recommendations.

§ 4. To the maximum extent feasible, the division of housing and community renewal shall be entitled to request and receive and shall utilize and be provided with such facilities, resources and data of any court, department, division, board, bureau, commission or agency of the state or any political subdivision thereof as it may reasonably request to carry out properly its responsibilities pursuant to this act.

§ 5. Section 35 of the private housing finance law is amended by adding a new subdivision 5 to read as follows:

5. Notwithstanding any other provision of this section, no company shall be voluntarily dissolved, without the consent of the commissioner or supervising agency, as the case may be.

§ 6. Section 96 of the private housing finance law is amended by adding a new subdivision 3 to read as follows:

3. Notwithstanding any other provision of this section, no company shall be voluntarily dissolved or terminated, without the consent of the commissioner.

§ 7. Section 123 of the private housing finance law is amended by adding a new subdivision 8 to read as follows:

8. Notwithstanding any other provision of this section, no redevelopment company shall dissolve or terminate, without the consent of the local legislative body.

§ 8. This act shall take effect immediately; provided, that sections five, six and seven of this act shall expire and be deemed repealed twenty-four months after it shall have become a law.