

STATE OF NEW YORK

8177

2025-2026 Regular Sessions

IN SENATE

May 19, 2025

Introduced by Sen. KAVANAGH -- (at request of the New York State Homes and Community Renewal) -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend chapter 514 of the laws of 1983 amending the private housing finance law and the real property tax law relating to the powers of the New York state housing finance agency and the New York city housing development corporation to finance certain multi-family housing, in relation to the effectiveness thereof; to amend chapter 396 of the laws of 1984 amending the private housing finance law and the real property tax law relating to the powers of the New York state housing finance agency to finance certain multi-family housing, in relation to the effectiveness thereof; to amend chapter 915 of the laws of 1982 amending the public authorities law relating to the powers of the state of New York mortgage agency, in relation to the effectiveness thereof; to amend the public authorities law, in relation to the powers of the state of New York mortgage agency; to amend chapter 555 of the laws of 1989 amending the public authorities law and other laws relating to establishing a New York state infrastructure trust fund, in relation to the effectiveness thereof; to amend chapter 172 of the laws of 2002, amending the public authorities law relating to the powers of the state of New York mortgage agency, in relation to the effectiveness thereof; to amend chapter 208 of the laws of 2010 amending the public authorities law relating to the powers of the state of New York mortgage agency, in relation to the effectiveness thereof; and to amend chapter 246 of the laws of 2010 amending the public authorities law relating to the powers of the state of New York mortgage agency, in relation to the effectiveness thereof

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

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

LBD10187-01-5

1 Section 1. Section 6 of chapter 514 of the laws of 1983, amending the
2 private housing finance law and the real property tax law relating to
3 the powers of the New York state housing finance agency and the New York
4 city housing development corporation to finance certain multi-family
5 housing, as amended by chapter 205 of the laws of 2023, is amended to
6 read as follows:

7 § 6. This act shall take effect immediately and shall remain in full
8 force and effect until July 23, [~~2025~~] 2027 at which time it shall be
9 repealed.

10 § 2. Section 7 of chapter 396 of the laws of 1984, amending the
11 private housing finance law and the real property tax law relating to
12 the powers of the New York state housing finance agency to finance
13 certain multi-family housing, as amended by chapter 205 of the laws of
14 2023, is amended to read as follows:

15 § 7. This act shall take effect immediately, except that sections one,
16 three, four, five and six of this act shall remain in full force and
17 effect until July 23, [~~2025~~] 2027 at which time such sections shall be
18 repealed.

19 § 3. Section 16 of chapter 915 of the laws of 1982 amending the public
20 authorities law relating to the powers of the state of New York mortgage
21 agency, as amended by chapter 205 of the laws of 2023, is amended to
22 read as follows:

23 § 16. This act shall take effect immediately except that the amend-
24 ments to law effected by sections one through ten of this act, as
25 amended, shall cease to be of force and effect on and after July 23,
26 [~~2025~~] 2027, on which date the provisions of the public authorities law
27 amended by such sections shall be as they were in force and effect imme-
28 diately prior to this act taking effect.

29 § 4. Section 2407 of the public authorities law, as amended by chapter
30 205 of the laws of 2023, is amended to read as follows:

31 § 2407. Bond limits. (1) Except for notes issued in nineteen hundred
32 seventy and nineteen hundred seventy-one, the agency shall not issue
33 bonds and notes, the interest on which is not included in the gross
34 income of the holders of the bonds and notes under the United States
35 Internal Revenue Code of 1986, as amended, or any subsequent correspond-
36 ing internal revenue law of the United States, in an aggregate principal
37 amount exceeding ten billion [~~seven~~] nine hundred twenty million
38 dollars, excluding from such limitation (a) an amount equal to any
39 original issue discount from the principal amount of any bonds or notes
40 issued, (b) bonds and notes issued to refund outstanding bonds and
41 notes, and (c) bonds and notes not described in paragraph (b) of this
42 subdivision issued to refund outstanding bonds and notes in accordance
43 with the provisions of the Internal Revenue Code of 1986 or the Tax
44 Reform Act of 1986, as amended, where such bonds or notes are not
45 included in the statewide volume cap on private purpose bonds under
46 section 146 of such code provided, however, that upon any refunding
47 pursuant to this paragraph or paragraph (b) of this subdivision, such
48 exclusion shall apply only to the extent that the amount of the refund-
49 ing bonds or notes does not exceed (i) the outstanding amount of the
50 refunded bonds or notes, plus (ii) to the extent permitted by applicable
51 federal tax law, costs of issuance of the refunding bonds or notes to be
52 financed from the proceeds of the refunding bonds or notes. No such
53 bond or note shall be issued by the agency on or after July twenty-
54 third, two thousand [~~twenty-five~~] twenty-seven, excluding bonds and
55 notes issued to refund outstanding bonds and notes. No more than [~~one~~]
56 two billion four hundred million dollars of proceeds of bonds or notes

1 issued by the agency pursuant to this subdivision shall be used for
2 mortgage purposes by blending with proceeds of bonds issued pursuant to
3 subdivision two of this section.

4 (2) In connection with the issuance of bonds for the purpose of
5 furthering programs described in this title, the agency is authorized to
6 covenant and consent that the interest on any of its bonds, notes or
7 other obligations shall be includable, under the United States Internal
8 Revenue Code of 1986, as amended or any subsequent corresponding inter-
9 nal revenue law of the United States, in the gross income of the holders
10 of the bonds to the same extent and in the same manner that the interest
11 on bills, bonds, notes or other obligations of the United States is
12 includable in the gross income of the holders thereof under said Inter-
13 nal Revenue Code or any such subsequent law. Pursuant to this subdivi-
14 sion, the agency shall not issue bonds, notes or other obligations in an
15 aggregate principal amount exceeding one billion [~~five~~] ~~nine~~ hundred
16 ~~fifty~~ million dollars, excluding from such limitation bonds, notes or
17 other obligations issued to refund outstanding bonds, notes or other
18 obligations. No such bond, note or other obligation shall be issued by
19 the agency on or after July twenty-third, two thousand [~~twenty-five~~]
20 ~~twenty-seven~~, excluding bonds, notes or other obligations issued to
21 refund outstanding bonds, notes or other obligations and no mortgages
22 shall be purchased with the proceeds of such bonds, notes or other obli-
23 gations after such date. The board of directors of the agency shall
24 establish program guidelines for purposes of bonds, notes or other obli-
25 gations issued pursuant to this subdivision. The board of directors
26 shall establish from time to time maximum income limits of persons
27 eligible to receive mortgages financed by bonds, notes or other obli-
28 gations issued pursuant to this subdivision, which income limits with
29 respect to one-third of the total principal amount of mortgages author-
30 ized to be so financed shall not exceed one hundred twenty-five percent
31 of the latest maximum income limits permitted under the Internal Revenue
32 Code of 1986, as amended, for mortgagors financed by mortgage revenue
33 bonds, with respect to one-third of such principal amount authorized to
34 be so financed, shall not exceed one hundred thirty-five percent of such
35 income limits, and with respect to one-third of such principal amount
36 authorized to be so financed, shall not exceed one hundred fifty percent
37 of such limits, provided that notwithstanding the foregoing, the maximum
38 income limits of persons eligible to receive mortgages financed by the
39 agency under its neighborhood revitalization program (and any successor
40 program) shall not exceed one hundred fifty percent of the latest maxi-
41 mum income limits permitted under the Internal Revenue Code of 1986, as
42 amended, for mortgagors financed by mortgage revenue bonds.

43 (3) The fixing of the statutory maximums in this section shall not be
44 construed as constituting a contract between the agency and the holders
45 of its bonds or notes that additional bonds and notes may not be issued
46 subsequently by the agency in the event that such statutory maximums
47 shall subsequently be increased by law.

48 § 5. Section 19 of chapter 555 of the laws of 1989 amending the public
49 authorities law and other laws relating to establishing a New York state
50 infrastructure trust fund, as amended by chapter 205 of the laws of
51 2023, is amended to read as follows:

52 § 19. This act shall take effect immediately and shall be deemed to
53 have been in full force and effect on and after June 15, 1989 provided
54 that the amendments to law effected by sections six and nine through
55 seventeen of this act, as amended, shall cease to be of force and effect
56 on and after July 23, [~~2025~~] ~~2027~~, on which date the provisions of the

1 public authorities law amended by such sections shall be as they were in
2 force and effect immediately prior to this act taking effect, and
3 provided however that the amendments to law effected by sections six and
4 nine through seventeen of this act, as amended, shall continue to apply
5 to all commitments issued or policies or development corporation credit
6 support in force on or before July 23, [~~2025~~] 2027, and provided further
7 that the amendments to section 2429-b of the public authorities law made
8 by section 13 of chapter 3 of the laws of 2004 which amended this
9 section shall not cease to be of force and effect prior to the time that
10 full payment of all development corporation credit support obligations
11 has been made or provided for.

12 § 6. Section 2 of chapter 172 of the laws of 2002 amending the public
13 authorities law relating to the powers of the state of New York mortgage
14 agency, as amended by chapter 205 of the laws of 2023, is amended to
15 read as follows:

16 § 2. This act shall take effect immediately and shall remain in full
17 force and effect until July 23, [~~2025~~] 2027, whereupon such date the
18 provisions of this act shall expire and be deemed repealed.

19 § 7. Section 4 of chapter 208 of the laws of 2010 amending the public
20 authorities law relating to the powers of the state of New York mortgage
21 agency, as amended by chapter 205 of the laws of 2023, is amended to
22 read as follows:

23 § 4. This act shall take effect immediately, provided that the amend-
24 ments to subdivision 5 of section 2402 of the public authorities law
25 made by section one of this act shall be subject to the expiration and
26 reversion of such subdivision pursuant to section 16 of chapter 915 of
27 the laws of 1982, as amended, when upon such date the provisions of
28 section two of this act shall take effect; further provided that this
29 act shall expire and be deemed repealed July 23, [~~2025~~] 2027.

30 § 8. Section 5 of chapter 246 of the laws of 2010 amending the public
31 authorities law relating to the powers of the state of New York mortgage
32 agency, as amended by chapter 205 of the laws of 2023, is amended to
33 read as follows:

34 § 5. This act shall take effect immediately and shall expire and be
35 deemed repealed on and after July 23, [~~2025~~] 2027; provided, however,
36 that the amendments to paragraph (c) of subdivision 8 of section 2428 of
37 the public authorities law made by section two of this act shall not
38 affect the expiration of such subdivision and shall be deemed to expire
39 therewith.

40 § 9. This act shall take effect immediately.