

June 2, 2020

## NEW YORK STATE LEGISLATURE PASSES RELIEF PACKAGE FOR RENTERS AND PROPERTY OWNERS

To Our Clients and Friends:

On Thursday, May 28, 2020, the New York State Legislature fast-tracked a set of bills providing accommodations for renters and property owners affected by COVID-19. The bills have been passed by both the Assembly and Senate. There is no news yet on when or whether Governor Cuomo plans to sign the bills.

The Assembly issued a [press release](#) announcing passage of the bills. The bills related to housing are summarized as follows. The only bills that appear to apply to commercial properties are possibly: (1) the two bills relating to property taxes, S8138B and S8122B; and (2) the bill relating to utilities, S8133A, to the extent “any residential customer” includes commercial multifamily operators who submeter utilities to residential users.

- **S.8419, Kavanagh / A.10522, Cymbrowitz:** This legislation will enact the "Emergency Rent Relief Act of 2020" to establish an interim residential rent relief program for low-income tenants. The program will issue a subsidy for tenants who were rent burdened prior to the COVID-19 pandemic or are paying more than 30 percent of their income toward rent and are now experiencing an even greater rent burden due to a loss of income. The program will be administered by the commissioner for housing and community renewal, who in turn is authorized to delegate administration in part “to any state, county, city, town, or public housing agency or any non-profit organization.” The commissioner is also charged with establishing preferences to prioritize households with the greatest economic need. The bill is effective immediately and expires on July 31, 2021.
- **S.8192B, Hoylman / A.10290B, Dinowitz:** This legislation will prohibit the eviction for nonpayment of rent of residential tenants who have suffered financial hardship and were in arrears on rent while New York on PAUSE imposed restrictions in their county. The tenant would remain liable for the rent owed. The bill does not define financial hardship. The bill is effective immediately and has no expiration date.
- **S.8243C, Kavanagh / A.10351B, Rozic:** This bill will require New York State regulated banking institutions to grant 180 days of mortgage forbearance, with the option for an additional 180 days, on a residential mortgage on their primary residence to any mortgagor who can demonstrate financial hardship as a result of the COVID-19 pandemic. The bill applies to New York banking organizations as defined by the Banking Law, and New York mortgage servicers subject to supervision by the Department of Financial Services. The bill does not define financial

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hardship. The bill is effective immediately and permits forbearances to be back-dated to March 7, 2020; it has no expiration date.

- **S.8138B, Martinez/ A.10252A, Stern:** This legislation will permit municipalities to defer certain property taxes during the COVID-19 State of Emergency and will also permit installment payments to be determined by the local legislative body. No additional interest or penalties will accrue during such deferment. The bill is effective immediately and has no expiration date.
- **S.8122B, Comrie / A.10241A, Hyndman:** This legislation will extend the application and renewal deadline to file for real property tax exemption or abatement programs until July 15, 2020 due to the COVID-19 declared State of Emergency. The bill is effective immediately and has no expiration date.
- **S.8113A, Parker / A.10521, Mosley:** This legislation will prohibit a utility corporation or municipality from terminating or disconnecting services to any residential customer for the nonpayment of an overdue charge for the duration of the COVID-19 State of Emergency. This moratorium will last 180 days from the expiration of the COVID-19 State of Emergency for those residential customers that have experienced a change in financial circumstances, and the utility corporation or municipality must offer such residential customers the right to enter into, or restructure, a deferred payment agreement without the requirement of a down payment, late fees or penalties. The bill is effective immediately and has no expiration date.



*Gibson Dunn's lawyers are available to assist with any questions you may have regarding these developments. For additional information, please contact the Gibson Dunn lawyer with whom you usually work, any member of the firm's Coronavirus (COVID-19) Response Team, or the following authors:*

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