

STATE OF NEW YORK

1267--C

R. R. 237

2019-2020 Regular Sessions

IN ASSEMBLY

January 14, 2019

Introduced by M. of A. PERRY, PAULIN, RAIA, DiPIETRO, PEOPLES-STOKES, BRABENEC, SEAWRIGHT, BLAKE -- Multi-Sponsored by -- M. of A. COOK, GALEF, LUPARDO, McDONOUGH -- read once and referred to the Committee on Housing -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported and referred to the Committee on Rules -- Rules Committee discharged, bill amended, ordered reprinted as amended and recommitted to the Committee on Rules -- amended on the special order of third reading, ordered reprinted as amended, retaining its place on the special order of third reading

AN ACT to amend the not-for-profit corporation law and the business corporation law, in relation to cooperative purchase applications

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

Section 1. The not-for-profit corporation law is amended by adding a new section 519-b to read as follows:

§ 519-b. Residential cooperative corporations; ownership interests.

(a) Any residential cooperative corporation incorporated pursuant to this chapter, shall establish uniform processes for applying to and considering applications for the purchase of certificates of stock, a proprietary lease or other evidence of an ownership interest in such residential cooperative corporation.

(b) Written notice of such processes shall be made available to any prospective purchasers and prospective sellers, or their respective real estate agents, promptly upon request. Prospective purchasers shall be required to confirm receipt of such notice in writing.

(c) At a minimum, such processes shall require the cooperative corporation, upon receiving an application from a prospective purchaser, to acknowledge receipt of such application and to include in such acknowledgement of receipt whether the application submitted fully satisfies the requirements therefor, the way or ways the submitted application is

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

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1 incomplete, and any additional materials necessary to effectuate consid-
2 eration of the application.

3 (d) The processes established pursuant to this section shall further
4 require that, following the submission of a completed application and
5 all additional materials requested in the acknowledgement of receipt,
6 the board of directors shall notify the prospective purchaser or their
7 agent that the application is complete. Such notice shall state by what
8 date review of the application will be complete and when the prospective
9 purchaser or their agent will be notified whether consent to the sale is
10 granted or denied.

11 (e) Nothing in this section shall be construed to limit the rights or
12 remedies provided by any other provision of law.

13 § 2. The business corporation law is amended by adding a new section
14 728 to read as follows:

15 § 728. Residential cooperative corporations; ownership interests.

16 (a) Any residential cooperative corporation incorporated pursuant to
17 this chapter, shall establish uniform processes for applying to and
18 considering applications for the purchase of certificates of stock, a
19 proprietary lease or other evidence of an ownership interest in such
20 residential cooperative corporation.

21 (b) Written notice of such processes shall be made available to any
22 prospective purchasers and prospective sellers, or their respective real
23 estate agents, promptly upon request. Prospective purchasers shall be
24 required to confirm receipt of such notice in writing.

25 (c) At a minimum, such processes shall require the cooperative corpo-
26 ration upon receiving an application from a prospective purchaser, to
27 acknowledge receipt of such application and to include in such acknowl-
28 edgement of receipt whether the application submitted fully satisfies
29 the requirements therefor, the way or ways the submitted application is
30 incomplete, and any additional materials necessary to effectuate consid-
31 eration of the application.

32 (d) The processes established pursuant to this section shall further
33 require that, following the submission of a completed application and
34 all additional materials requested in the acknowledgement of receipt,
35 the board of directors shall notify the prospective purchaser or their
36 agent that the application is complete. Such notice shall state by what
37 date review of the application will be complete and when the prospective
38 purchaser or their agent will be notified whether consent to the sale is
39 granted or denied.

40 (e) Nothing in this section shall be construed to limit the rights or
41 remedies provided by any other provision of law.

42 § 3. This act shall take effect on the one hundred twentieth day after
43 it shall have become a law.