

8347

2011-2012 Regular Sessions

I N A S S E M B L Y

June 14, 2011

Introduced by M. of A. ENGLEBRIGHT -- read once and referred to the
Committee on Governmental Operations

AN ACT to amend the civil rights law, in relation to discrimination in
the ownership of cooperative housing

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Legislative findings and declaration of intent. The legis-
2 lature recognizes that cooperative ownership in multi-family dwellings
3 is a popular form of home ownership in New York state. An ongoing
4 concern for consumers dealing in the cooperative housing market is the
5 potential for the unlawful rejection by a board of directors of a buyer.
6 The legislature finds and determines that, not infrequently, a co-op
7 board rejects what appears to be a well-qualified customer. Often, the
8 prospective purchaser has concerns that the rejection was in fact unlaw-
9 ful discrimination. Both federal and state laws protect our citizens
10 from unfair housing practices, which include discrimination based upon
11 race, ethnicity, gender, age or family status.
12 For such reasons, it is the legislature's intent to require boards of
13 directors of cooperative housing to disclose to proposed purchasers, the
14 reasons for rejecting a sale.
15 S 2. Section 19-a of the civil rights law, as added by chapter 376 of
16 the laws of 1971, is amended to read as follows:
17 S 19-a. Prohibition against unreasonable withholding of consent.
18 WHENEVER ANY CORPORATION FORMED FOR THE PURPOSE OF THE COOPERATIVE
19 OWNERSHIP OF REAL ESTATE WITHIN THE STATE WITHHOLDS CONSENT TO THE SALE
20 OR PROPOSED SALE OF CERTIFICATES OF STOCK OR OTHER EVIDENCE OF OWNERSHIP
21 OF AN INTEREST IN SUCH CORPORATION, SUCH CORPORATION SHALL PROVIDE THE
22 PROSPECTIVE PURCHASER WITH A WRITTEN STATEMENT OF ITS REASONS FOR WITH-
23 HOLDING CONSENT NO LATER THAN FIVE BUSINESS DAYS AFTER ITS DECISION TO
24 WITHHOLD CONSENT.

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

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1 1. No SUCH corporation [formed for the purpose of the cooperative
2 ownership of real estate within the state] shall withhold [its] SUCH
3 consent [to the sale or proposed sale of certificates of stock or other
4 evidence of ownership of an interest in such corporation] because of the
5 race, creed, national origin, or sex of the purchaser.

6 2. For the purposes of this section a "corporation" shall include the
7 cooperative management, cooperative tenants, cooperative shareholders,
8 or any appointee or successor in interest of a corporation.

9 3. This section shall apply to every sale or proposed sale whether by
10 a corporation directly, its successor in interest, or by any other
11 lawfully entitled party.

12 4. Every agreement, negative covenant, restrictive covenant or other
13 provision, whether written or oral and wherever contained, inconsistent
14 with this section shall be void and unenforceable.

15 S 3. This act shall take effect on the ninetieth day after it shall
16 have become a law.