

7259

I N S E N A T E

May 2, 2012

Introduced by Sen. JOHNSON -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the cooperative corporations law and the executive law, in relation to providing for the resolution of disputes between the board of directors of residential cooperative corporations and a shareholder to be determined by a hearing officer appointed by the attorney general

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

1 Section 1. The cooperative corporations law is amended by adding a new
2 section 78 to read as follows:
3 S 78. DISPUTES TO BE HEARD BY ATTORNEY GENERAL; RESIDENTIAL COOPER-
4 ATIVE. A SHAREHOLDER IN A COOPERATIVE CORPORATION WHICH OWNS RESIDENTIAL
5 REAL PROPERTY MAY APPEAL ANY DECISION BY SUCH CORPORATION'S BOARD OF
6 DIRECTORS TO A HEARING OFFICER APPOINTED BY THE ATTORNEY GENERAL PURSU-
7 ANT TO SUBDIVISION SIXTEEN OF SECTION SIXTY-THREE OF THE EXECUTIVE LAW.
8 A HEARING UPON SUCH APPEAL SHALL BE HEARD WITHIN SIXTY DAYS OF THE
9 FILING THEREOF WITH THE DEPARTMENT OF LAW, WITH NOTICE TO THE BOARD OF
10 DIRECTORS. THE HEARING OFFICER SHALL PROVIDE EACH PARTY AN OPPORTUNITY
11 TO BE HEARD AND RENDER FINAL DETERMINATION BASED ON THE EVIDENCE AND
12 TESTIMONY PRESENTED AT THE HEARING.
13 S 2. Section 63 of the executive law is amended by adding a new subdi-
14 vision 16 to read as follows:
15 16. ESTABLISH AN APPEALS PROCESS FOR THE DETERMINATION OF DISPUTES
16 BETWEEN SHAREHOLDERS AND THE BOARDS OF DIRECTORS OF COOPERATIVE CORPO-
17 RATIONS PURSUANT TO SECTION SEVENTY-EIGHT OF THE COOPERATIVE CORPO-
18 RATIONS LAW. THE ATTORNEY GENERAL SHALL APPOINT AND EMPOWER SUCH HEARING
19 OFFICERS AS SHALL BE NECESSARY TO HEAR AND DETERMINE SUCH APPEALS.
20 S 3. This act shall take effect immediately, except that section one
21 of this act shall take effect on the first of January next succeeding
22 the date on which it shall have become a law.

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

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