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I N   S E N A T E

January 13, 2016

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Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Codes

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.  
25    1. No SUCH corporation [formed for the purpose of the cooperative  
26    ownership of real estate within the state] shall withhold [its] SUCH  
27    consent [to the sale or proposed sale of certificates of stock or other

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

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1 evidence of ownership of an interest in such corporation] because of the  
2 race, creed, national origin, or sex of the purchaser.

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

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

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

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