

STATE OF NEW YORK

510

2017-2018 Regular Sessions

IN SENATE

(Prefiled)

January 4, 2017

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

AN ACT to amend the real property law, in relation to creating a residential condominium owner bill of rights

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

1 Section 1. The real property law is amended by adding a new section
2 339-11 to read as follows:

3 § 339-11. Residential condominium owner's bill of rights. The organ-
4 izational and operating documents of every residential condominium asso-
5 ciation, including both private and not-for-profit, established or oper-
6 ating pursuant to the laws of the state shall guarantee the following
7 rights to each unit owner.

8 1. The right to transparency. Complete and accurate financial state-
9 ments, reports of hired accountants and consultants on behalf of the
10 association, reports by municipal or county inspectors, and approved
11 minutes of the board of managers' meetings shall be available for review
12 within a timely fashion of a request to review, inspect, or copy. Any
13 financial statements, reports, or minutes ordinarily provided to unit
14 owners shall be provided in a timely fashion pursuant to established
15 timetables. In addition to any other notice required, the approved
16 minutes of all board and unit owner meetings shall be posted in a promi-
17 nent place accessible to all unit owners in each building comprising the
18 condominium within one day of their approval. For the purposes of this
19 subdivision, "financial statements" shall include a complete accounting
20 for all expenditures, capital improvements, or anything in excess of the
21 contingency fund including the budget, a comparison of any and all
22 bidding processes for work to be done on the condominium including work
23 that was conducted and the amounts of the contributions of each owner
24 whether individual or group sponsored, billings, estimates, overages,

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

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1 and proof of the expenditures that comprise the total of the surcharge
2 and minutes of each meeting where the planning and voting on the
3 proposal was discussed with all the owners, for any and all expenditures
4 not made in the ordinary course of business, bank account and financial
5 investment statements, and the association's IRS form nine-hundred-nine-
6 ty, if applicable, for each of the three most current fiscal years.

7 2. The right to timely decisions. All applications by unit owners in
8 connection with matters which require approval of the board of managers
9 and all requests for determinations by the board of managers including,
10 but not limited to, requests for the resolution of disputes between or
11 among unit owners, disputes between unit owners and the condominium
12 association such as disputes concerning responsibility for repairs shall
13 be processed in a reasonably expeditious manner pursuant to uniform
14 procedures and timetables adopted in writing. The board's decision shall
15 be in writing and shall set forth the reasons therefor, except that no
16 reason shall be required when approval is granted.

17 3. Voting rights. (a) The board of managers shall call a meeting to
18 fill any vacancies which occur on such board within sixty days of the
19 occurrence of such vacancy if the vacancy occurs more than six months
20 prior to the annual meeting of unit owners.

21 (b) The final results of elections for the board of managers including
22 a tally of the votes received by each candidate shall be posted within
23 one business day following the availability of such information in a
24 prominent place accessible to all unit owners in each building compris-
25 ing the condominium.

26 (c) Any member of a board of managers who is elected while a unit
27 owner in the condominium, who sells his or her apartment, and who,
28 subsequent to such sale shall no longer be a unit owner in such condo-
29 minium, shall resign from such board no later than the closing date of
30 such sale.

31 4. The right to notice. In addition to any other notice required,
32 notice of all board and unit owner meetings shall be posted in a promi-
33 nent place accessible to all unit owners in each building comprising the
34 condominium.

35 5. The right against extraordinary expenses. No less than once in
36 every five years the board shall propose expense limits which shall be
37 included in the notice of the annual or any other meeting of the unit
38 owners. An opportunity for unit owners to comment on such proposal and
39 to offer lower expense limits shall be included in the agenda for such
40 meeting. At the conclusion of the comment period the board shall, by an
41 open vote, adopt expense limits not to exceed those proposed by the
42 board which shall be effective until changed. Once approved by vote, the
43 board shall not enter into contracts for extraordinary expenses without
44 approval of the unit owners, unless it is deemed to be an emergency or
45 is required for refinancing of the mortgage.

46 6. The attorney general is authorized to enforce the provisions of
47 this section and may, upon his or her own initiative, or in response to
48 a complaint by one or more unit owners, investigate allegations of any
49 failure to comply with the provisions hereof.

50 § 2. Within six months of the effective date of this act the attorney
51 general shall promulgate a handbook summarizing the rights of unit
52 owners vis-a-vis condominium associations and the procedures and proc-
53 esses available to unit owners to enforce such rights.

54 § 3. This act shall take effect immediately; provided, however, that
55 as to residential condominium associations existing and operating as
56 such on the effective date of this act the boards of managers of such

1 associations shall within one year of the effective date of this act
2 take all steps necessary to amend the appropriate organizational and
3 operating documents of such associations to implement the provisions of
4 this act.