

# STATE OF NEW YORK

5816

2017-2018 Regular Sessions

## IN ASSEMBLY

February 15, 2017

Introduced by M. of A. CYMBROWITZ -- read once and referred to the  
Committee on Housing

AN ACT to amend the general business law, in relation to enactment of a  
residential condominium owner's bill of rights

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

1 Section 1. The general business law is amended by adding a new section  
2 352-eeeeee to read as follows:

3 § 352-eeeeee. Residential condominium owner's bill of rights. The  
4 organizational and operating documents of every residential condominium  
5 established or operating pursuant to the laws of the state shall guaran-  
6 tee the following to each unit owner:

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

17 2. That the final results of elections for the board of managers  
18 including a tally of the votes received by each candidate shall be post-  
19 ed within one business day following the availability of such informa-  
20 tion in a prominent place accessible to all unit owners in each building  
21 comprising the condominium.

22 3. That the board of managers shall call a meeting to fill any vacan-  
23 cies which occur on such board within sixty days of the occurrence of  
24 such vacancy if the vacancy occurs more than six months prior to the  
25 annual meeting of unit owners.

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

LBD09721-01-7

1     4. That any member of a board of managers who is elected while a unit  
2 owner in the condominium, who sells his or her apartment, and who,  
3 subsequent to such sale shall no longer be a unit owner in such condo-  
4 minium, shall resign from such board no later than the closing date of  
5 such sale.

6     5. That complete and accurate financial statements and any other  
7 statements ordinarily provided to unit owners be provided in a timely  
8 fashion pursuant to established timetables at least once annually. For  
9 the purposes of this subdivision "financial statements" shall include  
10 the balance sheets and statements of income and expense for each of the  
11 three most current fiscal years. Attached to said financial statements  
12 shall be a statement which discloses (a) any controlling interest or  
13 employee or agency relationship which any board member or officer of the  
14 condominium association or the spouse of such person has in or with any  
15 supplier of services or materials to said condominium and (b) any  
16 consideration the value of which exceeds one hundred dollars which any  
17 such board member or officer or the spouse of such person receives from  
18 such supplier.

19     6. That the following documents be made available for inspection or  
20 copying by unit owners during regular business hours on no more than ten  
21 days written notice to the board of managers:

22     (a) approved minutes of board of managers meetings, provided that such  
23 board shall have thirty days from the dates of the meetings at which the  
24 minutes are approved to prepare such minutes and provided further that  
25 the board may exclude matters which it deems confidential or which were  
26 discussed in executive session;

27     (b) detailed, accurate records, in chronological order, of the  
28 receipts and expenditures arising from the operation of the property;

29     (c) bank account and financial investment statements;

30     (d) all proposals received in response to a request for bids to  
31 provide goods or services to the condominium the cost of which is  
32 reasonably expected to exceed five thousand dollars in any one year.  
33 Such documents shall be made available within ten days of receipt unless  
34 the board chooses to conduct closed competitive bidding in which case  
35 the documents shall be made available within ten days of the selection  
36 of the successful bid;

37     (e) reports of accountants, consultants and experts retained or hired  
38 to perform services for or on behalf of the association including finan-  
39 cial statements as defined in subdivision five of this section provided,  
40 however, that such reports may be withheld when a majority of the  
41 members of the board has voted to withhold such information. When the  
42 matter concerns alleged conflict of interest or malfeasance involving  
43 board members the report may be withheld only upon a vote of the majori-  
44 ty of disinterested board members. If all board members are interested  
45 parties the report may not be withheld;

46     (f) reports by municipal and/or county inspectors concerning compli-  
47 ance with health, building and housing codes and regulations; and

48     (g) the records of decisions by the board of managers to exclude or  
49 withdraw materials pursuant to paragraph (a) or (e) of this subdivision.  
50 Such records shall be prepared in every instance that materials are  
51 withheld or excluded. The record shall include the general nature of the  
52 materials and the reason for withholding or excluding same.

53     7. That in addition to any other notice required by the condominium  
54 association's organizational or operating documents, notice of all board  
55 and unit owner meetings shall be posted in a prominent place accessible  
56 to all unit owners in each building comprising the condominium.

1     8. (a) That the board of managers shall not impose special assess-  
2 ments, or enter into contracts for extraordinary expenses the cost of  
3 which exceeds limits established pursuant to paragraph (b) of this  
4 subdivision beyond customary operating or maintenance costs, without  
5 approval by a vote of the unit owners. A vote of the unit owners may be  
6 waived by the board in the case of (i) an emergency evidenced by an  
7 approved resolution of the board, or (ii) a required refinancing of an  
8 existing mortgage.

9     (b) Unless the bylaws require a unit owner vote to establish the  
10 limits referred to in paragraph (a) of this subdivision, the limits  
11 shall be established by the board of managers as follows. No less than  
12 once in every five years the board shall propose limits which shall be  
13 included in the notice of the annual or any other meeting of the unit  
14 owners. An opportunity for unit owners to comment on such proposal and  
15 to offer lower limits shall be included in the agenda for such meeting.  
16 At the conclusion of the comment period the board shall, by an open  
17 vote, adopt limits not to exceed those proposed by the board which shall  
18 be effective until changed pursuant to the provisions of this paragraph.

19     9. The attorney general is authorized to enforce the provisions of  
20 this section and may, upon his or her own initiative, or in response to  
21 a complaint by one or more unit owners, investigate allegations of any  
22 failure to comply with the provisions hereof.

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

27     § 3. This act shall take effect immediately; provided, however, that  
28 as to residential condominium associations existing and operating as  
29 such on the effective date of this act the boards of managers of such  
30 associations shall within one year of the effective date of this act  
31 take all steps necessary to amend the appropriate organizational and  
32 operating documents of such associations to implement the provisions of  
33 this act.