

STATE OF NEW YORK

6652

2017-2018 Regular Sessions

IN SENATE

June 9, 2017

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

AN ACT to amend the real property law, in relation to conflicts of interests for cooperative housing

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 article
2 9-C to read as follows:

Article 9-C

COOPERATIVE HOUSING

3 Section 341. Annual reports for certain transactions required.

4
5 § 341. Annual reports for certain transactions required. 1. Every
6 cooperative housing corporation, incorporated pursuant to the not-for-
7 profit corporation law, shall, at least once each year:

8 (a) require that each director, as defined in paragraph six of subdi-
9 vision (a) of section one hundred two of the not-for-profit corporation
10 law, receive a copy of section seven hundred fifteen of the not-for-pro-
11 fit corporation law; and

12 (b) submit an annual report to the attorney general of the state of
13 New York, which shall be signed by each such director, containing infor-
14 mation on any contracts made, entered into, or otherwise voted on by the
15 board of directors that were subject to section seven hundred fifteen of
16 the not-for-profit corporation law.

17
18 2. Every cooperative housing corporation, incorporated pursuant to the
19 business corporation law, shall, at least once each year:

20 (a) require that each director, as defined in paragraph five of subdi-
21 vision (a) of section one hundred two of the business corporation law,
22 receive a copy of section seven hundred thirteen of the business corpo-
23 ration law; and

24 (b) submit an annual report to the attorney general of the state of
25 New York, which shall be signed by each such director, containing infor-

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

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1 mation on any contracts made, entered into, or otherwise voted on by the
2 board of directors that were subject to section seven hundred thirteen
3 of the business corporation law.

4 3. The annual report required either by paragraph (b) of subdivision
5 one or paragraph (b) of subdivision two of this section shall include,
6 but not be limited to, the following:

7 (a) a list of all contracts voted on by the board of directors,
8 including information on the contract recipient, contract amount, and
9 the purpose of entering into the contract;

10 (b) the record of each meeting including director attendance, voting
11 records for contracts, and how each director voted on such contracts;
12 and

13 (c) the date of each vote on each contract, and the date the contract
14 would be and remain valid.

15 4. If the annual report required either by paragraph (b) of subdivi-
16 sion one or paragraph (b) of subdivision two of this section would,
17 notwithstanding the requirements of this section, contain no information
18 because of the absence of any actions taken by the board that would
19 otherwise qualify for inclusion in such annual report, then the board
20 shall instead submit to the attorney general of the state of New York a
21 document, signed by each director, indicating: "No actions taken by the
22 board were subject to the annual report required pursuant to section 341
23 of the Real Property Law".

24 § 2. This act shall take effect on the first of January next succeed-
25 ing the date on which it shall have become a law.