

STATE OF NEW YORK

8643

IN SENATE

May 10, 2018

Introduced by Sen. SEPULVEDA -- 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 a not-for-profit residential condo-
5 minium association established or operating pursuant to the laws of the
6 state and managing the common charges, elements, expenses, or profits of
7 thirty-five hundred or more units shall guarantee the following rights
8 to each unit owner.

9 1. The right to transparency. Complete and accurate financial state-
10 ments, reports of hired accountants and consultants on behalf of the
11 association, reports by municipal or county inspectors, and approved
12 minutes of the board of managers' meetings shall be available for review
13 within a timely fashion of a request to review, inspect, or copy. Any
14 financial statements, reports, or minutes ordinarily provided to unit
15 owners shall be provided in a timely fashion pursuant to established
16 timetables. In addition to any other notice required, the approved
17 minutes of all board and unit owner meetings shall be posted in a promi-
18 nent place accessible to all unit owners in each building comprising the
19 condominium within one day of their approval. For the purposes of this
20 subdivision, "financial statements" shall include a complete accounting
21 for all expenditures, capital improvements, or anything in excess of the
22 contingency fund including the budget, a comparison of any and all
23 bidding processes for work to be done on the condominium including work
24 that was conducted and the amounts of the contributions of each owner
25 whether individual or group sponsored, billings, estimates, overages,
26 and proof of the expenditures that comprise the total of the surcharge
27 and minutes of each meeting where the planning and voting on the
28 proposal was discussed with all the owners, for any and all expenditures
29 not made in the ordinary course of business, bank account and financial
30 investment statements, and the association's IRS form nine-hundred-nine-
31 ty, if applicable, for each of the three most current fiscal years.

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

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

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

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

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

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

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

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

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

48 § 3. This act shall take effect immediately; provided, however, that
49 as to residential condominium associations existing and operating as
50 such on the effective date of this act the boards of managers of such
51 associations shall within one year of the effective date of this act
52 take all steps necessary to amend the appropriate organizational and
53 operating documents of such associations to implement the provisions of
54 this act.