STATE OF NEW YORK

1267--B

2019-2020 Regular Sessions

IN ASSEMBLY

January 14, 2019

Introduced by M. of A. PERRY, PAULIN, RAIA, DiPIETRO, PEOPLES-STOKES, BRABENEC, SEAWRIGHT -- Multi-Sponsored by -- M. of A. COOK, GALEF, LUPARDO, McDONOUGH -- read once and referred to the Committee on Housing -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported and referred to the Committee on Rules -- Rules Committee discharged, bill amended, ordered reprinted as amended and recommitted to the Committee on Rules

AN ACT to amend the not-for-profit corporation law and the business corporation law, in relation to cooperative purchase applications

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

Section 1. The not-for-profit corporation law is amended by adding a new section 519-b to read as follows:

§ 519-b. Residential cooperative corporations; ownership interests.

(a) The board of directors of any residential cooperative corporation, incorporated pursuant to this chapter, shall establish through amendments to its by-laws uniform processes for applying to and considering applications for the purchase certificates of stock, a proprietary lease or other evidence of an ownership interest in such residential cooperative corporation.

(b) Written notice of such processes shall be made available to any prospective purchasers and prospective sellers, or their respective real estate agents, promptly upon request. Prospective purchasers shall be required to confirm receipt of such notice in writing.

(c) At a minimum, such processes shall require the board of directors, upon receiving an application from a prospective purchaser, to acknowledge receipt of such application and to include in such acknowledgement of receipt whether the application submitted fully satisfies the requirements therefor, the way or ways the submitted application is incomplete, and/or any additional materials necessary to effectuate consideration of the application.

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

LBD06684-06-9

(d) The processes established pursuant to this section shall further require that, following the submission of a completed application and all additional materials requested in the acknowledgement of receipt, the board of directors shall notify the prospective purchaser or their agent that the application is complete. Such notice shall state by what date review of the application will be complete and when the prospective purchaser or their agent whether its consent to the sale is granted or denied.

(e) Nothing in this section shall be construed to limit the rights or remedies provided by any other provision of law.

§ 2. The business corporation law is amended by adding a new section 728 to read as follows:

§ 728. Residential cooperative corporations; ownership interests.

(a) The board of directors of any residential cooperative corporation, incorporated pursuant to this chapter, shall establish through amendments to its by-laws uniform processes for applying to and considering applications for the purchase certificates of stock, a proprietary lease or other evidence of an ownership interest in such residential cooperative corporation.

(b) Written notice of such processes shall be made available to any prospective purchasers and prospective sellers, or their respective real estate agents, promptly upon request. Prospective purchasers shall be required to confirm receipt of such notice in writing.

(c) At a minimum, such processes shall require the board of directors, upon receiving an application from a prospective purchaser, to acknowledge receipt of such application and to include in such acknowledgement of receipt whether the application submitted fully satisfies the requirements therefor, the way or ways the submitted application is incomplete, and/or any additional materials necessary to effectuate consideration of the application.

(d) The processes established pursuant to this section shall further require that, following the submission of a completed application and all additional materials requested in the acknowledgement of receipt, the board of directors shall notify the prospective purchaser or their agent that the application is complete. Such notice shall state by what date review of the application will be complete and when the prospective purchaser or their agent whether its consent to the sale is granted or denied.

(e) Nothing in this section shall be construed to limit the rights or remedies provided by any other provision of law.

§ 3. This act shall take effect immediately.