

STATE OF NEW YORK

1267--D

2019-2020 Regular Sessions

IN ASSEMBLY

January 14, 2019

Introduced by M. of A. PERRY, PAULIN, DiPIETRO, PEOPLES-STOKES, BRABE-
NEC, SEAWRIGHT, BLAKE, RICHARDSON -- 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 -- amended on the special order of third reading, ordered
reprinted as amended, retaining its place on the special order of
third reading -- ordered to a third reading, amended and ordered
reprinted, retaining its place on the order of third reading

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 Assem-
bly, do enact as follows:

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

3 § 519-b. Residential cooperative corporations; ownership interests.

4 (a) Any residential cooperative corporation incorporated pursuant to
5 this chapter, shall establish uniform processes for applying to and
6 considering applications for the purchase of certificates of stock, a
7 proprietary lease or other evidence of an ownership interest in such
8 residential cooperative corporation.

9 (b) Written notice of such processes shall be made available to any
10 prospective purchasers and prospective sellers, or their respective real
11 estate agents, promptly upon request.

12 (c) At a minimum, such processes shall require the cooperative corpo-
13 ration, upon receiving an application from a prospective purchaser, to
14 acknowledge receipt of such application within twenty-one days and to
15 include in such acknowledgement of receipt whether the application
16 submitted fully satisfies the requirements therefor, the way or ways the

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

LBD06684-11-0

1 submitted application is incomplete, and any additional materials neces-
2 sary to effectuate consideration of the application.

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

11 (e) Written notice that consent to the sale has been granted or denied
12 shall be provided to the prospective purchaser no more than ninety days
13 after the submission of a completed application. In the event a sale is
14 denied, such notice shall state the reason for the denial. If no written
15 notice is provided within ninety days, consent to the sale shall be
16 granted.

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

19 § 2. The business corporation law is amended by adding a new section
20 728 to read as follows:

21 § 728. Residential cooperative corporations; ownership interests.

22 (a) Any residential cooperative corporation incorporated pursuant to
23 this chapter, shall establish uniform processes for applying to and
24 considering applications for the purchase of certificates of stock, a
25 proprietary lease or other evidence of an ownership interest in such
26 residential cooperative corporation.

27 (b) Written notice of such processes shall be made available to any
28 prospective purchasers and prospective sellers, or their respective real
29 estate agents, promptly upon request.

30 (c) At a minimum, such processes shall require the cooperative corpo-
31 ration upon receiving an application from a prospective purchaser, to
32 acknowledge receipt of such application and to include in such acknowl-
33 edgement of receipt whether the application submitted fully satisfies
34 the requirements therefor, the way or ways the submitted application is
35 incomplete, and any additional materials necessary to effectuate consid-
36 eration of the application.

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

45 (e) Written notice that consent to the sale has been granted or denied
46 shall be provided to the prospective purchaser no more than ninety days
47 after the submission of a completed application. In the event a sale is
48 denied, such notice shall state the reason for the denial. If no written
49 notice is provided within ninety days, consent to the sale shall be
50 granted.

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

53 § 3. This act shall take effect on the one hundred twentieth day after
54 it shall have become a law.