

STATE OF NEW YORK

1267--A

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

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:

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) The board of directors or managing agent of any residential coop-
5 erative corporation, incorporated pursuant to this chapter, shall estab-
6 lish through amendments to its by-laws uniform processes for applying to
7 and considering applications for the purchase certificates of stock, a
8 proprietary lease or other evidence of an ownership interest in such
9 residential cooperative corporation.

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

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

21 (d) The processes established pursuant to this section shall further
22 require that, following the submission of a completed application and

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

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1 all additional materials requested in the acknowledgement of receipt,
2 the board of directors or managing agent shall notify the prospective
3 purchaser or their agent that the application is complete. Such notice
4 shall state by what date review of the application will be complete and
5 when the prospective purchaser or their agent whether its consent to the
6 sale is granted or denied.

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

9 § 2. The business corporation law is amended by adding a new section
10 728 to read as follows:

11 § 728. Residential cooperative corporations; ownership interests.

12 (a) The board of directors or managing agent of any residential coop-
13 erative corporation, incorporated pursuant to this chapter, shall estab-
14 lish through amendments to its by-laws uniform processes for applying to
15 and considering applications for the purchase certificates of stock, a
16 proprietary lease or other evidence of an ownership interest in such
17 residential cooperative corporation.

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

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

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

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

39 § 3. This act shall take effect immediately.