

STATE OF NEW YORK

9719--A

IN ASSEMBLY

February 6, 2020

Introduced by M. of A. L. ROSENTHAL, PHEFFER AMATO -- 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 private housing finance law, in relation to voting, election and referendum procedures

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

1 Section 1. The private housing finance law is amended by adding a new
2 section 13-c to read as follows:

3 § 13-c. Voting, election and referendum procedures. 1. Any shareholder
4 vote shall be conducted using secret ballots. Such ballots shall be
5 cast in-person by tenants entitled to occupancy in the project; unless
6 such tenant casts such ballot using an absentee ballot issued pursuant
7 to subdivision two of this section.

8 2. A shareholder entitled to occupancy in the project shall be enti-
9 tled to request an absentee ballot to cast a ballot in any shareholder
10 vote. Such absentee ballot shall be delivered or mailed only to the
11 primary residence address of a shareholder entitled to occupancy in the
12 project. An absentee ballot cast pursuant to this subdivision shall be
13 sealed within two envelopes, shall contain the signature of the share-
14 holder casting the vote, and shall be mailed to a neutral third party
15 not running for a position on the board of directors.

16 3. Proxy voting shall not be permitted in an election for a position
17 on a board of directors, for dissolution of the company, for the author-
18 ization of a feasibility study, for an offering plan including a red
19 herring or black book, or any document offered in place of an offering
20 plan as permitted by the attorney general.

21 4. In-person ballots shall produce a paper record which may be audited
22 in the case of a contested election result.

23 5. No otherwise-eligible person shall be prevented from being a candi-
24 date for, being elected to, or serving on a board of directors based
25 solely on that person owing or having owed any amount of any form of
26 arrears to the housing company, unless, at the time of nomination, that

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

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1 person currently owes an amount of bona fide arrears greater than the
2 equivalent of two months of that person's monthly maintenance. Nothing
3 in this subdivision shall be construed to require or mandate any housing
4 company to adopt bylaws, rules, policies, or procedures restricting any
5 person's eligibility to be nominated, elected, or serve on a board of
6 directors. Nothing contained in this subdivision shall be a basis in
7 itself to deny such eligibility to any person.

8 6. For any shareholder vote requiring a specific percentage of dwell-
9 ing units, the term "dwelling units" shall mean all dwelling units for
10 which shares have been issued, regardless of whether such dwelling units
11 are occupied or vacant.

12 § 2. This act shall take effect on the thirtieth day after it shall
13 have become a law and shall apply to any vote or election that occurs on
14 or after such date regardless of when such vote or election was first
15 noticed.