STATE OF NEW YORK

4956

2019-2020 Regular Sessions

IN SENATE

April 2, 2019

Introduced by Sen. BENJAMIN -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the cooperative corporations law and the not-for-profit corporation law, in relation to requiring the board of directors of residential cooperative corporations and not-for-profit corporations to provide tenants with changes to the by-laws in writing within ten days of adoption; in relation to notification to tenants of changes affecting occupancy or the rules of the building

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

Section 1. Section 16 of the cooperative corporations law is amended to read as follows:

§ 16. By-laws. **1.** The by-laws may provide for their amendment by the board of directors; but any amendment adopted by the board shall be reported to the annual meeting of the corporation and, if not affirmatively approved thereat, shall cease to be in effect. By-laws may be adopted, repealed or amended on the affirmative vote of two-thirds of the members, stockholders or delegates voting thereon at a meeting held after due written notice setting forth the proposed action and the purpose of the meeting.

2. In the case of residential cooperative corporations, changes including the adoption, amendment or repeal of the by-laws by the board of directors shall be provided to the members, stockholders, and delegates of such corporation in writing, by physical or electronic means, within ten days of such adoption.

§ 2. The cooperative corporations law is amended by adding a new section 78 to read as follows:

§ 78. Notification to residents. Upon the adoption, amendment or repeal of by-laws by the board of directors pursuant to subdivision two of section sixteen of this chapter, where such change would have a

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

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direct effect on the resident's occupancy or the rules of the building, the board of directors shall post the adopted, amended, or repealed by-laws conspicuously to ensure tenants will be aware of such adoption.

§ 3. Section 602 of the not-for-profit corporation law is amended by adding a new paragraph (g) to read as follows:

(g) In the case of residential not-for-profit corporations, changes including the adoption, amendment or repeal of the by-laws by the board of directors shall be provided to the members, stockholders, and delegates of such corporation in writing, by physical or electronic means, within ten days of such adoption.

§ 4. The not-for-profit corporation law is amended by adding a new section 624 to read as follows:

§ 624. Notification to tenants.

Upon the adoption, amendment or repeal of the by-laws by the board of directors pursuant to paragraph (g) of section 602 (By-laws), where such change would have a direct effect on the resident's occupancy or the rules of the building, the board of directors shall post the adopted, amended, or repealed by-laws conspicuously to ensure tenants will be aware of such adoption.

§ 5. This act shall take effect on the sixtieth day after it shall have become a law.