

STATE OF NEW YORK

4956--A

Cal. No. 1144

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 -- committee discharged and said bill committed to the Committee on Rules -- ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the business corporation 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:

1 Section 1. Section 708 of the business corporation law is amended by
2 adding two new subdivisions (e) and (f) to read as follows:

3 (e) In the case of corporations owning or leasing residential premises
4 and operating the same on a cooperative basis, changes including the
5 adoption, amendment or repeal of the by-laws by the board of directors
6 shall be provided to the members, stockholders, and delegates of such
7 corporation in writing, by physical or electronic means, within ten days
8 of such adoption.

9 (f) Upon the adoption, amendment or repeal of by-laws by the board of
10 directors of a corporation owning or leasing residential premises and
11 operating the same on a cooperative basis pursuant to subdivision (e) of
12 this section, where such change would have a direct effect on the resi-
13 dent's occupancy or the rules of the building, the board of directors
14 shall post the adopted, amended, or repealed by-laws conspicuously to
15 ensure tenants will be aware of such adoption.

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

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

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

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

8 § 624. Notification to tenants.

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13 amended, or repealed by-laws conspicuously to ensure tenants will be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

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