STATE OF NEW YORK

9020

IN ASSEMBLY

January 20, 2022

Introduced by M. of A. BRAUNSTEIN -- read once and referred to the Committee on Judiciary

AN ACT to amend the general obligations law and the real property law, in relation to excluding tenant-shareholders in cooperative housing corporations from certain housing provisions

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

Section 1. Paragraph (a) of subdivision 1-a of section 7-108 of the general obligations law, as separately amended by chapter 428 and a chapter of the laws of 2021 amending the general obligations law, the real property law, and the real property actions and proceedings law relating to excluding tenant-shareholders in cooperative housing corporations from certain housing provisions, as proposed in legislative bills numbers S. 5105-C and A. 350-C, is amended to read as follows:

(a) No deposit or advance shall exceed the amount of one month's rent, unless the deposit or advance is for a seasonal use dwelling unit as provided for in subdivisions four and five of this section, **or** unless the deposit or advance is for an owner-occupied cooperative apartment as provided for in subdivision [~~four~~] **six** of this section.

§ 2. Subdivision 4 of section 7-108 of the general obligations law, as amended by a chapter of the laws of 2021 amending the general obligations law, the real property law, and the real property actions and proceedings law relating to excluding tenant-shareholders in cooperative housing corporations from certain housing provisions, as proposed in legislative bills numbers S. 5105-C and A. 350-C, is renumbered subdivision 6 and is amended to read as follows:

6. A dwelling unit shall qualify as an owner-occupied cooperative apartment for the purpose of paragraph (a) of subdivision one-a of this section if it meets all of the following conditions:

(a) the tenant is the dwelling unit owner, purchaser or shareholder of such a cooperative housing corporation;

(b) such tenant has or will have after purchase exclusive occupancy of such dwelling unit individually and with the permitted occupants pursu-

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

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ant to a proprietary lease or occupancy agreement and established and delimited rights under such lease or agreement; and

(c) such dwelling unit is not subject to the provisions of article two, article four, article five, or article eleven of the private housing finance law. **For the purposes of this paragraph, "deposit or advance", as used in paragraph (a) of subdivision one-a of this section, shall not include any payments or advances that are part of the purchase price of the unit or shares.**

§ 3. Paragraph (b) of subdivision 1 of section 238-a of the real property law, as amended by a chapter of the laws of 2021 amending the general obligations law, the real property law, and the real property actions and proceedings law relating to excluding tenant-shareholders in cooperative housing corporations from certain housing provisions, as proposed in legislative bills numbers S. 5105-C and A. 350-C, is amended to read as follows:

(b) A landlord, lessor, sub-lessor or grantor may charge a fee or fees to reimburse costs associated with conducting a background check and credit check, provided the cumulative fee or fees for such checks is no more than the actual cost of the background check and credit check or twenty dollars, whichever is less, and the landlord, lessor, sub-lessor or grantor shall waive the fee or fees if the potential tenant provides a copy of a background check or credit check conducted within the past thirty days. The landlord, lessor, sub-lessor or grantor may not collect the fee or fees unless the landlord, lessor, sub-lessor or grantor provides the potential tenant with a copy of the background check or credit check and the receipt or invoice from the entity conducting the background check or credit check. Notwithstanding the provisions of this paragraph, a cooperative housing corporation[~~, other than a cooperative housing corporation subject to the provisions of article two, article four, article five or article eleven of the private housing finance law,~~] shall be permitted to charge a fee or fees to reimburse costs associated with conducting a background check and credit check in excess of twenty dollars, where the potential tenant would become a dwelling unit owner or shareholder of such cooperative housing corporation, provided the cumulative fee or fees for such checks is no more than the actual cost of such background check and/or credit check. **Further, with regard to a cooperative housing corporation subject to the provisions of article two, article four, article five or article eleven of the private housing finance law, all such fees must be reasonable and approved by the agency supervising such cooperative housing corporation.**

§ 4. This act shall take effect on the same date and in the same manner as a chapter of the laws of 2021 amending the general obligations law, the real property law, and the real property actions and proceedings law relating to excluding tenant-shareholders in cooperative housing corporations from certain housing provisions, as proposed in legislative bills numbers S. 5105-C and A. 350-C, takes effect.