

# STATE OF NEW YORK

7671

2021-2022 Regular Sessions

## IN ASSEMBLY

May 19, 2021

Introduced by M. of A. PHEFFER AMATO -- read once and referred to the Committee on Housing

AN ACT to amend the private housing finance law, in relation to the application of tenant-cooperator shares of mutual company holdings

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

1 Section 1. Section 31-a of the private housing finance law is amended  
2 by adding a new subdivision (f) to read as follows:

3 (f) a mutual company shall provide, upon request of a tenant-coopera-  
4 tor, a written statement providing the current value of such tenant-  
5 cooperator's shares and equity in such mutual company;

6 § 2. The private housing finance law is amended by adding a new  
7 section 31-c to read as follows:

8 § 31-c. Tenant-cooperators; application of shares. 1. No mutual  
9 company shall require a current tenant-cooperator to use cash, loan or  
10 mortgage to make an initial payment for shares that would entitle the  
11 tenant-cooperator to occupancy upon transfer to another dwelling unit  
12 within the mutual company's facilities, but instead, subject to subdivi-  
13 sion two of this section, shall first allow the tenant-cooperator the  
14 option to apply the value of his or her shares and equity in the mutual  
15 company toward any consideration required to be paid for such shares.

16 2. Within one hundred eighty days of the effective date of this  
17 section, the commissioner and the supervising agency, as the case may  
18 be, shall each promulgate regulations authorizing a current tenant-coop-  
19 erator, entitled to occupancy by reason of ownership of shares in such  
20 mutual company, to apply all or a portion of the value of his or her  
21 shares and equity in the mutual company toward any consideration  
22 required to be paid for shares which would entitle the tenant-cooperator  
23 to occupancy of another unit owned and operated by the mutual company,  
24 regardless of the sale of the tenant-cooperator's current shares in such  
25 mutual company, but subject to such other charges due and owing to the

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

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1 mutual company for which such tenant-cooperator may be liable. Any  
2 dispute thereof may be determined by a court of appropriate jurisdiction  
3 and any requirement to waive such right as a condition of ownership or  
4 transfer shall be void as against public policy.

5 § 3. This act shall take effect immediately.