STATE OF NEW YORK

2098--A

2025-2026 Regular Sessions

IN SENATE

January 15, 2025

Introduced by Sen. KAVANAGH -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the business corporation law and the not-for-profit corporation law, in relation to requiring the board of directors of a residential cooperative apartment corporation to notify applicants seeking to purchase shares of the corporation of the reason or reasons the board of directors has refused such request

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

Section 1. The business corporation law is amended by adding a new section 728 to read as follows:

§ 728. Denial of right to purchase shares of a residential cooperative housing corporation.

In the event that the board of directors of a residential cooperative housing corporation incorporated pursuant to this chapter denies the request of an applicant to purchase shares of such corporation allotted to a particular dwelling unit, the board of directors shall notify such applicant in writing of the reason or reasons the board of directors has denied the request to purchase the shares. Such notification shall be provided to the applicant within thirty days of the board's decision to deny the applicant's request to purchase the shares.

§ 2. The not-for-profit corporation law is amended by adding a new section 519-b to read as follows:

§ 519-b. Denial of right to purchase shares of a residential cooperative housing corporation.

In the event that the board of directors of a residential cooperative housing corporation incorporated pursuant to this chapter denies the request of an applicant to purchase shares of such corporation allotted to a particular dwelling unit, the board of directors shall notify such

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

LBD05826-03-5

applicant in writing of the reason or reasons the board of directors has denied the request to purchase the shares. Such notification shall be provided to the applicant within thirty days of the board's decision to deny the applicant's request to purchase the shares.

§ 3. This act shall take effect immediately.