STATE OF NEW YORK

7541

2025-2026 Regular Sessions

IN SENATE

April 22, 2025

Introduced by Sen. BYNOE -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

AN ACT to amend the real property law, in relation to establishing transparency guidelines for condominiums and cooperative housing units

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

Section 1. Legislative intent. This Legislature hereby finds that on June 24, 2021, Champlain Towers South, a 12-story condominium in Surfside, Florida experienced a partial collapse that resulted in the deaths of 98 residents, becoming the third-deadliest non-deliberate structural engineering failure in United States history. In the wake of such a tragedy, this Legislature understands that there are currently no existing statewide regulations which would require that condominium or cooperative housing associations' property management company or board of managers make information regarding any inspections, permits, or engineering reports available to unit owners and purchasers.

Additionally, this Legislature finds that in Myrtle Beach, South Carolina, residents of the Renaissance Towers condominium are currently embroiled in an ongoing lawsuit after 300 units were evacuated after the building was deemed unsafe by Horry County Code Enforcement on October 7, 2022. These unit owners reported that the board of managers had failed to document or inform unit owners of the findings of engineering reports for over 20 years prior to the evacuation. This Legislature determines that transparency of reporting inspections, permits and engineering reports would provide residents and purchasers with the knowledge to make informed decisions about their condominium and cooperative housing associations, and such reports should be provided to local municipalities to protect the health and wellbeing of residents.

Furthermore, this Legislature finds that this legislation would make New York the third state, following Florida and New Jersey, to have strengthened transparency regulations on condominiums and co-ops follow-

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

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ing the 2021 Champlain Towers South collapse. As such, this Legislature finds that New York should follow in their footsteps to ensure that condominium and cooperative housing associations' board of managers and property management companies should have a duty to inform unit owners and purchasers of any structural, mechanical, health, or fire code violations that may exist in a condominium or cooperative housing property.

§ 2. Section 339-e of the real property law is amended by adding three new subdivisions 17, 18 and 19 to read as follows:

17. "Inspections" shall mean any report completed by an employee of a municipality, a contractor working on behalf of a municipality or property management company for the purpose of ensuring a property meets local building codes, health and safety standards, or fire code, or to evaluate if a property has significant mechanical or structural damage.

18. "Engineering reports" shall mean any report completed by a certified engineer or architect on behalf of a property management company, the board of managers, a municipality, or the state of New York for the purpose of evaluating if a property has significant mechanical or structural damages.

19. "Permit" shall mean any official approval issued by a state or municipality authorizing the property management company, a consultant, or any agency hired by the board of managers to operate, conduct renovations, repairs, or remediation for any property possessing residential condominiums or cooperative housing units.

§ 3. Section 339-q of the real property law, as added by chapter 82 of the laws of 1964, is amended to read as follows:

§ 339-q. Filing with board. **1.** True copies of the floor plans, **inspections, engineering reports, permits,** the declaration, the by-laws and any rules and regulations shall be kept on file in the office of the board of managers and shall be available for inspection at convenient hours of weekdays by persons having an interest. **Copies of the floor plans, inspections, engineering reports, permits, the declaration, the by-laws and any rules and regulations shall be provided digitally and physically to unit owners whenever any revision, amendment, inspection, report or plan is made or issued.**

2. Should the board of managers fail to comply with any item within this section, the office of the attorney general of the state of New York shall reserve the right to void any offering plan permitting the operation of the condominium or cooperative.

3. Nothing in this section shall abrogate or limit a unit owner's right to file a civil or criminal action against the board of managers.

§ 4. The real property law is amended by adding a new section 339-mm to read as follows:

§ 339-mm. Reporting requirements. 1. When a buyer as defined in paragraph b of subdivision one of section four hundred forty-three of this chapter enters into a contract to purchase a condominium or cooperative housing unit, the property management company or board of managers shall provide the buyer with records of the most recent inspection and engineering reports and permits for the subject property.

2. Any potential buyer shall have the right to request a copy of the most recent inspection or engineering report for a condominium or cooperative housing unit from the property management company or board of managers.

3. Any inspection or engineering report completed by a consultant or engineer on behalf of a unit owner, the board of managers, or the property management company for any condominium or co-op structure shall be

filed with the local municipal building department, local health department or code enforcement officials within sixty days.

4. A copy of any permit granted by a local municipality or the state of New York for the condominium or cooperative housing property shall be made available by the property management company and the board of managers for all unit owners.

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