

STATE OF NEW YORK

8912

IN SENATE

January 15, 2026

Introduced by Sen. MAYER -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the cooperative corporations law, in relation to increasing transparency in cooperative housing corporations

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

1 Section 1. The cooperative corporations law is amended by adding a new
2 article 9 to read as follows:

3 ARTICLE 9

4 COOPERATIVE HOUSING CORPORATIONS

5 TITLE I. APPLICABILITY.

6 II. COOPERATIVE HOUSING CORPORATION STRUCTURE.

7 III. COOPERATIVE SHAREHOLDER PROTECTION ACT.

8 TITLE I

9 APPLICABILITY

10 Section 139. Applicability.

11 § 139. Applicability. Any city with a population of one million or
12 more shall be permitted to opt out of the provisions of this article.

13 TITLE II

14 COOPERATIVE HOUSING CORPORATION STRUCTURE

15 Section 140. Applicability of business corporation law.

16 141. Definitions.

17 142. Additional powers of members.

18 143. Meetings; budget.

19 144. Service of employees of management companies on the board
20 prohibited.

21 § 140. Applicability of business corporation law. If any provision of
22 the business corporation law conflicts with any provision of this arti-
23 cle, the provision of this article shall prevail, and the conflicting
24 provision of the business corporation law shall not apply in such case.
25 If any provision of this article relates to a matter embraced in the

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

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business corporation law but is not in conflict therewith, both provisions shall apply.

§ 141. Definitions. For the purposes of this title, the following terms shall have the following meanings:

1. "Cooperative housing corporation" means a corporation formed pursuant to this chapter or article four of the business corporation law that owns or leases residential premises and operates the same on a cooperative basis.

2. "Management company" means a person, firm, corporation, partnership, association, limited liability company, or other entity retained by a cooperative housing corporation to conduct the business of such corporation, including but not limited to, operating the premises, keeping the books and records, managing dwelling unit transactions, and taking such other actions as may be necessary for compliance with applicable law.

3. "Resident" means an individual maintaining a place of residence in a dwelling unit on the premises of a cooperative housing corporation.

4. "Member" means a natural person holding a membership in a cooperative housing corporation, whether evidenced by a certificate of membership or by a certificate of stock or by other authorized means of identification.

§ 142. Additional powers of members. After the first date on which the sponsor of a cooperative housing corporation owns less than a majority of all shares operated by such cooperative housing corporation, the holders of a majority of the shares held by all members may, by action duly taken pursuant to either section six hundred fourteen or six hundred fifteen of the business corporation law, remove any management company of such cooperative housing corporation from such service and may prohibit such management company from serving in such capacity thereafter.

§ 143. Meetings; budget. 1. Meetings of the board of a cooperative housing corporation shall be held at least four times each fiscal year with at least one meeting in each fiscal quarter. If, during any given quarter, a quorum of board members are not available to meet, a meeting shall be scheduled as early as possible during the next succeeding fiscal quarter. Members shall be permitted to be present at all such board meetings except when such board meets in executive session.

2. Complete minutes of all meetings of the board of a cooperative housing corporation and/or members thereof shall be made available to members within twenty-four hours of approval of such minutes by the board.

3. The board of a cooperative housing corporation shall submit an annual detailed budget to the members at least one month prior to the end of such cooperative housing corporation's fiscal year. Such budget shall be in plain language and subject to approval by a majority of members.

§ 144. Service of employees of management companies on the board prohibited. No cooperative housing corporation shall permit an employee, officer, director, representative or agent of any management company of such cooperative housing corporation that is not both a resident and a shareholder to serve on the board.

TITLE III

COOPERATIVE SHAREHOLDER PROTECTION ACT

Section 150. Short title.

151. Definitions.

1 ration to any such report or notice of violation shall be made available
2 to all members and residents within two weeks of when such response is
3 made.

4 § 155. Member and resident requirements. All members and residents,
5 upon purchase of shares or before taking occupancy, and once annually
6 thereafter, shall be provided with the brochure published by the office
7 of the New York state attorney general entitled "Boards, Bylaws, and
8 Rules: Understanding and Dealing with a Co-op Board of Directors" or its
9 successor publication.

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