

## New York's Westchester County Amends Co-Op Disclosure Law to Promote Transparency

By Mary A. Smith

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Westchester County in New York has amended its [Co-op Disclosure Law](#) as part of its ongoing efforts to address and eliminate alleged discrimination in cooperative housing purchases.

Co-op boards have substantial discretion in determining which applicants to approve. Under fair housing federal, state, and Westchester County's local laws, applicants cannot be rejected on the basis of protected characteristics such as race, familial status, national origin, religion, disability, or sex. To promote transparency in the application and purchasing process, local governments such as New York's Westchester and Suffolk Counties have passed legislation designed to strengthen fair housing laws.

### Key Provisions

The law previously imposed requirements on co-op boards to acknowledge receipt of an application from a prospective buyer within a 15-day period and approve or reject the application within a 60-day period.

The amendment imposes the following additional requirements on co-op boards:

- Disclose to applicants the minimum financial thresholds necessary for approval;
- Provide a written reason for denying the prospective buyer's application; and
- Provide a written report detailing rejected applications to the Westchester County Human Rights Commission on a form to be provided by the Commission.

### Civil Penalties

Under the prior provisions of the legislation, co-op boards in violation of the law could incur civil penalties, including a fine of \$1,000 for the first offense, \$1,500 for the second offense, and \$2,000 for the third and any subsequent offense.

As part of the amendment, individual claims can be initiated within a one-year period. However, violations reported by the Executive Director of the Commission may be brought up to one year after the Commission first learned of the violation.

Co-op boards should take steps to ensure they have robust policies and procedures in place, designed to combat housing discrimination. These may include formal application processes, fair housing, anti-discrimination and anti-harassment training for board members, and internal complaint procedures for review of unsuccessful applications.

Please contact a Jackson Lewis attorney with questions about fair housing compliance, training, or other issues.

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