

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 44

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, strike “providing that” and substitute “prohibiting a certain provision in”; in line 5, strike the second comma and substitute “or”; in the same line, after the second “or” insert “in the articles of incorporation, bylaws, or proprietary leases of a”; in line 6, strike “may not prohibit” and substitute “from being construed to prohibit certain”; in line 10, strike “and” and substitute a comma; in line 11, after “associations” insert “, and cooperative housing corporations”; in line 12, after “circumstances;” insert “authorizing condominiums, homeowners associations, and cooperative housing corporations to require a certain notice from certain no-impact home-based businesses;”; strike beginning with “authorizing” in line 12 down through “rules;” in line 14; and in line 14, after “term;” insert “providing for the application of this Act;”.

AMENDMENT NO. 2

On page 2 in line 31, after “(b)” insert “(1)”; in the same line, strike “This section does” and substitute “THE PROVISIONS OF THIS SECTION RELATING TO FAMILY DAY CARE HOMES DO”; and after line 32, insert:

“(2) THE PROVISIONS OF THIS SECTION RELATING TO NO-IMPACT HOME-BASED BUSINESSES DO NOT APPLY TO A CONDOMINIUM THAT HAS ADOPTED, PRIOR TO JULY 1, 1999, PROCEDURES IN ACCORDANCE WITH ITS COVENANTS, DECLARATION, OR BYLAWS FOR THE REGULATION OR PROHIBITION OF NO-IMPACT HOME-BASED BUSINESSES.”

On page 4, strike beginning with “(1)” in line 28 down through “(2)” in line 32.

On page 5, in line 22, after “(b)” insert “(1)”; in the same line, strike “This section does” and substitute “THE PROVISIONS OF THIS SECTION RELATING TO FAMILY DAY CARE HOMES DO”; and after line 23, insert:

(Over)

“(2) THE PROVISIONS OF THIS SECTION RELATING TO NO-IMPACT HOME-BASED BUSINESSES DO NOT APPLY TO A HOMEOWNERS ASSOCIATION THAT HAS ADOPTED, PRIOR TO JULY 1, 1999, PROCEDURES IN ACCORDANCE WITH ITS COVENANTS, DECLARATION, OR BYLAWS FOR THE PROHIBITION OR REGULATION OF NO-IMPACT HOME-BASED BUSINESSES.”.

On page 7, strike beginning with “(1)” in line 20 down through “(2)” in line 25.

On page 8, strike in their entirety lines 9 through 13, inclusive, and substitute:

“(A) THE PROVISIONS OF THIS SECTION RELATING TO NO-IMPACT HOME-BASED BUSINESSES DO NOT APPLY TO A COOPERATIVE HOUSING CORPORATION THAT HAS ADOPTED, PRIOR TO JULY 1, 1999, PROCEDURES IN ACCORDANCE WITH ITS ARTICLES OF INCORPORATION OR A PROPRIETARY LEASE OR A PROVISION OF ITS BYLAWS FOR THE PROHIBITION OR REGULATION OF NO-IMPACT HOME-BASED BUSINESSES.

(B) (1) SUBJECT TO THE PROVISIONS OF SUBSECTION (C) OF THIS SECTION, A PROVISION IN THE ARTICLES OF INCORPORATION OR A PROPRIETARY LEASE OR A PROVISION OF THE BYLAWS OF A COOPERATIVE HOUSING CORPORATION THAT PROHIBITS OR RESTRICTS COMMERCIAL OR BUSINESS ACTIVITY IN GENERAL, BUT DOES NOT EXPRESSLY APPLY TO NO-IMPACT HOME-BASED BUSINESSES, MAY NOT BE CONSTRUED TO PROHIBIT OR RESTRICT THE ESTABLISHMENT AND OPERATION OF NO-IMPACT HOME-BASED BUSINESSES.

(2) SUBJECT TO THE PROVISIONS OF SUBSECTION (C) OF THIS SECTION, THE OPERATION OF A NO-IMPACT HOME-BASED BUSINESS SHALL BE:

(I) CONSIDERED A RESIDENTIAL ACTIVITY; AND

(II) A PERMITTED ACTIVITY.

(C) (1) (I) SUBJECT TO THE PROVISIONS OF PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A COOPERATIVE HOUSING CORPORATION MAY INCLUDE IN ITS ARTICLES OF INCORPORATION, BYLAWS, OR PROPRIETARY LEASES A PROVISION EXPRESSLY PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT

HOME-BASED BUSINESS.

(II) A PROVISION DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH EXPRESSLY PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS SHALL APPLY TO AN EXISTING NO-IMPACT HOME-BASED BUSINESS IN THE COOPERATIVE PROJECT.

(2) A PROVISION DESCRIBED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION EXPRESSLY PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS MAY NOT BE ENFORCED UNLESS IT IS APPROVED BY A SIMPLE MAJORITY OF THE TOTAL ELIGIBLE VOTERS OF THE COOPERATIVE HOUSING CORPORATION UNDER THE VOTING PROCEDURES CONTAINED IN THE ARTICLES OF INCORPORATION OR BYLAWS OF THE CORPORATION.

(3) IF A COOPERATIVE HOUSING CORPORATION INCLUDES IN ITS ARTICLES OF INCORPORATION, BYLAWS, OR PROPRIETARY LEASES A PROVISION PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS, IT SHALL ALSO INCLUDE A PROVISION STATING THAT THE PROHIBITION MAY BE ELIMINATED AND NO-IMPACT HOME-BASED BUSINESSES MAY BE APPROVED BY A SIMPLE MAJORITY OF THE TOTAL ELIGIBLE VOTERS OF THE COOPERATIVE HOUSING CORPORATION UNDER THE VOTING PROCEDURES CONTAINED IN THE ARTICLES OF INCORPORATION OR BYLAWS OF THE CORPORATION.

(4) IF A COOPERATIVE HOUSING CORPORATION INCLUDES IN ITS ARTICLES OF INCORPORATION, BYLAWS, OR PROPRIETARY LEASES A PROVISION EXPRESSLY PROHIBITING THE USE OF A RESIDENTIAL UNIT AS A NO-IMPACT HOME-BASED BUSINESS, THE PROHIBITION MAY BE ELIMINATED AND NO-IMPACT HOME-BASED BUSINESS ACTIVITIES MAY BE PERMITTED BY THE APPROVAL OF A SIMPLE MAJORITY OF THE TOTAL ELIGIBLE VOTERS OF THE COOPERATIVE HOUSING CORPORATION UNDER THE VOTING PROCEDURES CONTAINED IN THE ARTICLES OF INCORPORATION OR BYLAWS OF THE CORPORATION.

(Over)

(D) A COOPERATIVE HOUSING CORPORATION MAY:

(1) RESTRICT OR PROHIBIT A NO-IMPACT HOME-BASED BUSINESS IN ANY AREAS CONSTITUTING THOSE PORTIONS OF A COOPERATIVE PROJECT POSSESSED IN COMMON BY THE MEMBERS; AND

(2) IMPOSE A FEE FOR USE OF ANY AREAS CONSTITUTING THOSE PORTIONS OF A COOPERATIVE PROJECT POSSESSED IN COMMON BY THE MEMBERS IN A REASONABLE AMOUNT NOT TO EXCEED \$50 PER YEAR ON EACH NO-IMPACT HOME-BASED BUSINESS OPERATING IN THE COOPERATIVE PROJECT.”;

and in line 15, strike “October 1, 1998” and substitute “July 1, 1998”.