

7078

I N S E N A T E

April 23, 2014

Introduced by Sen. BONACIC -- (at request of the Office of Court Administration) -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

AN ACT to amend the civil practice law and rules, the business corporation law, the general associations law, the limited liability company law, the not-for-profit corporation law and the partnership law, in relation to consent to jurisdiction by foreign business organizations authorized to do business in New York

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The civil practice law and rules is amended by adding a new
2 section 301-a to read as follows:

3 S 301-A. TERMINATION OF CONSENT TO JURISDICTION IN CERTAIN CASES.
4 WHERE A BUSINESS ORGANIZATION REGISTERED, AUTHORIZED OR DESIGNATED TO DO
5 BUSINESS IN THIS STATE SURRENDERS, WITHDRAWS OR OTHERWISE REVOKES ITS
6 REGISTRATION, AUTHORIZATION OR CERTIFICATE OF DESIGNATION, ITS CONSENT
7 TO JURISDICTION TERMINATES ON THE DATE OF SUCH SURRENDER, WITHDRAWAL OR
8 REVOCATION.

9 S 2. Section 1301 of the business corporation law is amended by adding
10 a new paragraph (e) to read as follows:

11 (E) A FOREIGN CORPORATION'S APPLICATION FOR AUTHORITY TO DO BUSINESS
12 IN THIS STATE, WHENEVER FILED, CONSTITUTES CONSENT TO THE JURISDICTION
13 OF THE COURTS OF THIS STATE FOR ALL ACTIONS AGAINST SUCH CORPORATION. A
14 SURRENDER OF SUCH APPLICATION SHALL CONSTITUTE A WITHDRAWAL OF CONSENT
15 TO JURISDICTION.

16 S 3. Section 18 of the general associations law is amended by adding a
17 new subdivision 5 to read as follows:

18 5. AN ASSOCIATION'S CERTIFICATE OF DESIGNATION PRESCRIBED BY THIS
19 SECTION, WHENEVER FILED, CONSTITUTES CONSENT TO THE JURISDICTION OF THE
20 COURTS OF THIS STATE FOR ALL ACTIONS AGAINST SUCH ASSOCIATION. A REVO-
21 CATION OF SUCH DESIGNATION SHALL CONSTITUTE A WITHDRAWAL OF CONSENT TO
22 JURISDICTION.

23 S 4. Section 802 of the limited liability company law is amended by
24 adding a new subdivision (c) to read as follows:

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

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1 (C) A FOREIGN LIMITED LIABILITY COMPANY'S APPLICATION FOR AUTHORITY TO
2 DO BUSINESS IN THIS STATE, WHENEVER FILED, CONSTITUTES CONSENT TO THE
3 JURISDICTION OF THE COURTS OF THIS STATE FOR ALL ACTIONS AGAINST SUCH
4 LIMITED LIABILITY COMPANY. A SURRENDER OF SUCH APPLICATION SHALL
5 CONSTITUTE A WITHDRAWAL OF CONSENT TO JURISDICTION.

6 S 5. Section 1301 of the not-for-profit corporation law is amended by
7 adding a new paragraph (e) to read as follows:

8 (E) A FOREIGN CORPORATION'S APPLICATION FOR AUTHORITY TO CONDUCT
9 ACTIVITIES IN THIS STATE, WHENEVER FILED, CONSTITUTES CONSENT TO THE
10 JURISDICTION OF THE COURTS OF THIS STATE FOR ALL ACTIONS AGAINST SUCH
11 CORPORATION UNLESS SUCH CORPORATION IS EXEMPT FROM ANY LAW REQUIRING IT
12 TO DESIGNATE THE SECRETARY OF STATE AS AGENT OF THE CORPORATION UPON
13 WHOM PROCESS AGAINST IT MAY BE SERVED AND IT HAS MADE NO SUCH DESIG-
14 NATION. A SURRENDER OF SUCH APPLICATION SHALL CONSTITUTE A WITHDRAWAL
15 OF CONSENT TO JURISDICTION.

16 S 6. Section 121-902 of the partnership law is amended by adding a new
17 subdivision (e) to read as follows:

18 (E) A FOREIGN LIMITED PARTNERSHIP'S APPLICATION FOR AUTHORITY TO DO
19 BUSINESS IN THIS STATE, WHENEVER FILED, CONSTITUTES CONSENT TO THE
20 JURISDICTION OF THE COURTS OF THIS STATE FOR ALL ACTIONS AGAINST SUCH
21 FOREIGN LIMITED PARTNERSHIP. A SURRENDER OF SUCH APPLICATION SHALL
22 CONSTITUTE A WITHDRAWAL OF CONSENT TO JURISDICTION.

23 S 7. Section 121-1502 of the partnership law is amended by adding a
24 new subdivision (r) to read as follows:

25 (R) A FOREIGN LIMITED LIABILITY PARTNERSHIP'S NOTICE TO CARRY ON OR
26 CONDUCT OR TRANSACT BUSINESS OR ACTIVITIES AS A NEW YORK REGISTERED
27 FOREIGN LIMITED LIABILITY PARTNERSHIP IN THIS STATE, WHENEVER FILED,
28 CONSTITUTES CONSENT TO THE JURISDICTION OF THE COURTS OF THIS STATE FOR
29 ALL ACTIONS AGAINST SUCH FOREIGN LIMITED LIABILITY PARTNERSHIP. A WITH-
30 DRAWAL OF SUCH NOTICE SHALL CONSTITUTE A WITHDRAWAL OF CONSENT TO JURIS-
31 DICTION.

32 S 8. This act shall take effect on the first of January next succeed-
33 ing the date on which it shall have become a law.