S T A T E  O F  N E W  Y O R K

3919

2009-2010 Regular Sessions

I N  S E N A T E

April 6, 2009

Introduced by Sens. FLANAGAN, ALESI, O. JOHNSON, LARKIN, MORAHAN, RANZENHOFER -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to prohibiting the formation of a subsidiary of a public authority without prior permission of the legislature

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

Section 1. The public authorities law is amended by adding a new section 2829 to read as follows:

S 2829. SUBSIDIARIES OF PUBLIC AUTHORITIES. 1. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, NO PUBLIC BENEFIT CORPORATION SHALL ESTABLISH A SUBSIDIARY CORPORATION WITHOUT STATUTORY CODIFICATION.

2. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION, ANY SUBSIDIARY OF A PUBLIC AUTHORITY DULY AND LAWFULLY FORMED PRIOR TO THE FIRST DAY OF JULY, TWO THOUSAND TEN, SHALL BE DEEMED TO BE A PUBLIC AUTHORITY UNDER THE TERMS OF THIS CHAPTER, AND NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, SHALL BE SUBJECT TO ALL THE REQUIREMENTS, DUTIES AND RESPONSIBILITIES PROVIDED IN THIS CHAPTER.

3. ON OR BEFORE THE THIRTY-FIRST DAY OF MARCH, TWO THOUSAND ELEVEN, ANY SUBSIDIARY PUBLIC BENEFIT CORPORATION, IN COOPERATION WITH ITS PARENT PUBLIC BENEFIT CORPORATION, SHALL PROVIDE TO THE CHAIRMAN AND RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, A REPORT ON THE SUBSIDIARY PUBLIC BENEFIT CORPORATION. SUCH REPORT SHALL INCLUDE FOR EACH SUBSIDIARY:

(A) THE COMPLETE LEGAL NAME, ADDRESS AND CONTACT INFORMATION OF THE SUBSIDIARY;

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

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(B) THE STRUCTURE OF THE ORGANIZATION OF THE SUBSIDIARY, INCLUDING THE NAMES AND TITLES OF EACH OF ITS MEMBERS, DIRECTORS AND OFFICERS, AS WELL AS A CHART OF ITS ORGANIZATIONAL STRUCTURE;

(C) THE COMPLETE BYLAWS AND LEGAL ORGANIZATION PAPERS OF THE SUBSIDIARY;

(D) A COMPLETE REPORT OF THE PURPOSE, OPERATIONS, MISSION AND PROJECTS OF THE SUBSIDIARY, INCLUDING A STATEMENT OF JUSTIFICATION AS TO WHY THE SUBSIDIARY IS NECESSARY TO CONTINUE ITS OPERATIONS FOR THE PUBLIC BENEFIT FOR THE PEOPLE OF THE STATE OF NEW YORK; AND

(E) ANY OTHER INFORMATION THE SUBSIDIARY PUBLIC BENEFIT CORPORATION DEEMS IMPORTANT TO INCLUDE IN SUCH REPORT.

S 2. This act shall take effect immediately.