

4690

2011-2012 Regular Sessions

I N S E N A T E

April 14, 2011

Introduced by Sen. FLANAGAN -- 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:

1 Section 1. The public authorities law is amended by adding a new
2 section 2829 to read as follows:
3 S 2829. SUBSIDIARIES OF PUBLIC AUTHORITIES. 1. NOTWITHSTANDING ANY
4 OTHER PROVISION OF LAW TO THE CONTRARY, NO PUBLIC BENEFIT CORPORATION
5 SHALL ESTABLISH A SUBSIDIARY CORPORATION WITHOUT STATUTORY CODIFICATION.
6 2. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION,
7 ANY SUBSIDIARY OF A PUBLIC AUTHORITY DULY AND LAWFULLY FORMED PRIOR TO
8 THE FIRST DAY OF JULY, TWO THOUSAND TWELVE, SHALL BE DEEMED TO BE A
9 PUBLIC AUTHORITY UNDER THE TERMS OF THIS CHAPTER, AND NOTWITHSTANDING
10 ANY OTHER PROVISION OF LAW TO THE CONTRARY, SHALL BE SUBJECT TO ALL THE
11 REQUIREMENTS, DUTIES AND RESPONSIBILITIES PROVIDED IN THIS CHAPTER.
12 3. ON OR BEFORE THE THIRTY-FIRST DAY OF MARCH, TWO THOUSAND THIRTEEN,
13 ANY SUBSIDIARY PUBLIC BENEFIT CORPORATION, IN COOPERATION WITH ITS
14 PARENT PUBLIC BENEFIT CORPORATION, SHALL PROVIDE TO THE CHAIRMAN AND
15 RANKING MINORITY MEMBER OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN
16 AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, A
17 REPORT ON THE SUBSIDIARY PUBLIC BENEFIT CORPORATION. SUCH REPORT SHALL
18 INCLUDE FOR EACH SUBSIDIARY:
19 (A) THE COMPLETE LEGAL NAME, ADDRESS AND CONTACT INFORMATION OF THE
20 SUBSIDIARY;
21 (B) THE STRUCTURE OF THE ORGANIZATION OF THE SUBSIDIARY, INCLUDING THE
22 NAMES AND TITLES OF EACH OF ITS MEMBERS, DIRECTORS AND OFFICERS, AS WELL
23 AS A CHART OF ITS ORGANIZATIONAL STRUCTURE;

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

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1 (C) THE COMPLETE BYLAWS AND LEGAL ORGANIZATION PAPERS OF THE SUBSID-
2 IARY;
3 (D) A COMPLETE REPORT OF THE PURPOSE, OPERATIONS, MISSION AND PROJECTS
4 OF THE SUBSIDIARY, INCLUDING A STATEMENT OF JUSTIFICATION AS TO WHY THE
5 SUBSIDIARY IS NECESSARY TO CONTINUE ITS OPERATIONS FOR THE PUBLIC BENE-
6 FIT FOR THE PEOPLE OF THE STATE OF NEW YORK; AND
7 (E) ANY OTHER INFORMATION THE SUBSIDIARY PUBLIC BENEFIT CORPORATION
8 DEEMS IMPORTANT TO INCLUDE IN SUCH REPORT.
9 S 2. This act shall take effect immediately.