

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

10205

I N A S S E M B L Y

May 16, 2016

Introduced by M. of A. BRENNAN -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the not-for-profit corporation law, in relation to an employee of a not-for-profit corporation serving as chair of the board

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

1 Section 1. Paragraph (f) of section 713 of the not-for-profit corpo-
2 ration law, as added by chapter 549 of the laws of 2013, is amended to
3 read as follows:
4 (f) No employee of the corporation shall serve as chair of the board
5 or hold any other title with similar responsibilities UNLESS THE BOARD
6 APPROVES SUCH EMPLOYEE SERVING AS CHAIR OF THE BOARD BY TWO-THIRDS VOTE
7 OF THE ENTIRE BOARD AND CONTEMPORANEOUSLY DOCUMENTS IN WRITING THE BASIS
8 FOR THE BOARD APPROVAL; PROVIDED, HOWEVER, THAT NO SUCH EMPLOYEE SHALL
9 BE CONSIDERED AN INDEPENDENT DIRECTOR.
10 S 2. This act shall take effect on the same date and in the same
11 manner as section 73 of chapter 549 of the laws of 2013, takes effect.

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

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