

5370

2015-2016 Regular Sessions

I N S E N A T E

May 14, 2015

Introduced by Sen. RANZENHOFER -- read twice and ordered printed, and
when printed to be committed to the Committee on Corporations, Author-
ities and Commissions

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

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, 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 A MAJORITY VOTE
7 OF THE WHOLE BOARD AND CONTEMPORANEOUSLY DOCUMENTS IN WRITING THE BASIS
8 FOR THE BOARD APPROVAL INCLUDING THE BOARD'S CONSIDERATION OF ALTERNA-
9 TIVE OPTIONS. THE CONTEMPORANEOUSLY DOCUMENTED BASIS OF SUCH APPROVAL
10 SHALL BE PROVIDED TO THE ATTORNEY GENERAL WITHIN SIXTY DAYS OF SUCH
11 APPROVAL IN WRITTEN OR ELECTRONIC FORM.
12 S 2. This act shall take effect on the same date and in the same
13 manner as paragraph (f) of section 713 of the not-for-profit corporation
14 law, takes effect, pursuant to chapter 549 of the laws of 2013, as
15 amended.

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

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