

5370--B

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, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Corporations, Authorities and Commissions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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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