

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

7442--A

2015-2016 Regular Sessions

I N A S S E M B L Y

May 12, 2015

Introduced by M. of A. BRENNAN -- read once and referred to the Committee on Corporations, Authorities and Commissions -- 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 corporations serving as chair of a 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 corporation law, as added by chapter 549 of the laws of 2013, is amended to
2 read as follows:
3 (f) No employee of the corporation shall serve as chair of the board
4 or hold any other title with similar responsibilities UNLESS THE BOARD
5 APPROVES SUCH EMPLOYEE SERVING AS CHAIR OF THE BOARD BY A MAJORITY VOTE
6 OF THE WHOLE BOARD AND CONTEMPORANEOUSLY DOCUMENTS IN WRITING THE BASIS
7 FOR THE BOARD APPROVAL INCLUDING THE BOARD'S CONSIDERATION OF ALTERNATIVE
8 OPTIONS; PROVIDED, HOWEVER, THAT NO SUCH EMPLOYEE SHALL BE CONSIDERED
9 AN INDEPENDENT DIRECTOR.
10 S 2. This act shall take effect on the same date and in the same
11 manner as paragraph (f) of section 713 of the not-for-profit corporation
12 law, takes effect, pursuant to chapter 549 of the laws of 2013, as
13 amended.
14

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

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