

STATE OF NEW YORK

8638

IN SENATE

May 10, 2018

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

AN ACT to amend the not-for-profit corporation law, in relation to directors of controlled corporations serving on designated audit committees of the controlling corporations

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Paragraph (d) of section 712-a 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 (d) If a corporation controls a group of corporations, the board or
5 designated audit committee of the board of the controlling corporation
6 may perform the duties required by this section for one or more of the
7 controlled corporations and, if independent directors, directors from
8 one or more of such controlled corporations may serve on any designated
9 audit committee of the board of such controlling corporation, and
10 perform the duties required by this section for each corporation and any
11 controlled corporations.

12 § 2. This act shall take effect immediately.

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

LBD15585-01-8