

STATE OF NEW YORK

8699

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 requiring that no corporation have a membership of fewer than three persons

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

- 1 Section 1. Paragraph (a) of section 601 of the not-for-profit corpo-
2 ration law, as amended by chapter 549 of the laws of 2013, is amended to
3 read as follows:
- 4 (a) A corporation shall have one or more classes of members, or, in
5 the case of a charitable corporation, may have no members, in which case
6 any such provision for classes of members or for no members shall be set
7 forth in the certificate of incorporation or the by-laws. Corporations,
8 joint-stock associations, unincorporated associations and partnerships,
9 as well as any other person without limitation, may be members, provided
10 however, that effective July first, two thousand nineteen, no corpo-
11 ration except a corporation that has no members, shall have a membership
12 comprised of fewer than three persons. A corporation may have a corpo-
13 ration, joint-stock association, unincorporated association or partner-
14 ship as a sole member, if such corporation, joint-stock association,
15 unincorporated association or partnership is owned or controlled by no
16 fewer than three persons.
- 17 § 2. This act shall take effect immediately.

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

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