

# STATE OF NEW YORK

3514

2019-2020 Regular Sessions

## IN ASSEMBLY

January 29, 2019

Introduced by M. of A. LUPARDO, SCHIMMINGER, THIELE -- Multi-Sponsored  
by -- M. of A. CROUCH, McDONOUGH, B. MILLER -- read once and referred  
to the Committee on Higher Education

AN ACT to amend the business corporation law, in relation to providing  
for expanded ownership in design professional corporations by employee  
stock ownership plans and non-licensed employees

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

Section 1. Subparagraphs (i) and (ii) of paragraph (b-1) of section  
1503 of the business corporation law, as added by chapter 550 of the  
laws of 2011, are amended to read as follows:

(i) greater than seventy-five percent of the outstanding shares of  
stock of the corporation are owned by design professionals and an ESOP  
(or ESOPs) with greater than seventy-five percent of the plan's voting  
trustees and greater than seventy-five percent of the plan's committee  
members being design professionals,

(ii) an ESOP, either in part or in its entirety, shall not constitute  
part of the greater than seventy-five percent owned by design profes-  
sionals unless greater than seventy-five percent of the plan's voting  
trustees and greater than seventy-five percent of the plan's committee  
members are design professionals,

§ 2. Subparagraphs (i) and (ii) of paragraph (b) of section 1507 of  
the business corporation law, as added by chapter 550 of the laws of  
2011, are amended to read as follows:

(i) greater than seventy-five percent of the outstanding shares of  
stock of the corporation are owned by design professionals and an ESOP  
(or ESOPs) with greater than seventy-five percent of the plan's voting  
trustees and greater than seventy-five percent of the plan's committee  
members being design professionals,

(ii) an ESOP, either in part or in its entirety, shall not constitute  
part of the greater than seventy-five percent owned by design profes-

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

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sionals unless greater than seventy-five percent of the plan's voting trustees and greater than seventy-five percent of the plan's committee members are design professionals,

§ 3. Subparagraph (i) of paragraph (b) of section 1514 of the business corporation law, as added by chapter 550 of the laws of 2011, is amended to read as follows:

(i) greater than seventy-five percent of the outstanding shares of stock of the corporation are and were owned by design professionals and an ESOP (or ESOPs) with greater than seventy-five percent of the plan's voting trustees and greater than seventy-five percent of the plan's committee members being design professionals,

§ 4. This act shall take effect immediately.