STATE OF NEW YORK

7019

IN SENATE

(Prefiled)

January 8, 2020

Introduced by Sen. KAPLAN -- 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 the corporate membership of housing development fund companies and corporations

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

Section 1. Paragraph (a) of section 601 of the not-for-profit corporation law, as amended by chapter 411 of the laws of 2018, is amended to read as follows:

(a) A corporation shall have one or more classes of members, or, in the case of a charitable corporation, may have no members, in which case any such provision for classes of members or for no members shall be set forth in the certificate of incorporation or the by-laws. Corporations, joint-stock associations, unincorporated associations and partnerships, as well as any other person without limitation, may be members, provided however, that effective July first, two thousand nineteen, no corporation except a corporation that has no members, shall have a membership comprised of fewer than three persons. A corporation may have a corporation, joint-stock association, unincorporated association or partnership as a sole member, if such corporation, joint-stock association, unincorporated association or partnership is owned or controlled by no fewer than three persons. **Notwithstanding any other provision of law set forth in this paragraph, a housing development fund company or corporation incorporated pursuant to section five hundred seventy-three of the private housing finance law may have a public corporation, authority (whether federal or state housing authority), municipal corporation or housing company as its sole member, provided such housing development fund company or corporation is composed of the chair and the duly appointed and elected commissioners or directors of such public corporation, authority, municipal corporation or housing company.**

§ 2. This act shall take effect immediately.

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

LBD14202-01-9