

STATE OF NEW YORK

7155

IN SENATE

January 9, 2020

Introduced by Sen. COMRIE -- 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 consent prior to the merger of cemetery corporations

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

1 Section 1. Paragraph (c) of section 1506 of the not-for-profit corporation law, as amended by chapter 553 of the laws of 2019, is amended to
2 read as follows:

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4 (c) Cemeteries in Kings, Queens, Rockland, Westchester, Nassau,
5 Suffolk, Putnam and Erie counties. A cemetery corporation shall not take
6 by deed, devise, merger or otherwise any land in the counties of Kings,
7 Queens, Rockland, Westchester, Nassau, Suffolk, Putnam or Erie for cemetery purposes, or set apart any ground therefor in any of such counties,
8 unless the consent of the board of supervisors or legislative body thereof, or of the city council of the city of New York, in respect to Kings
9 or Queens county, be first obtained [~~except as provided in paragraph (n) of this section~~]. Such consent may be granted upon such conditions and
10 under such regulations and restrictions as the public health and welfare
11 may require. Notice of application for such consent shall be published,
12 once a week for six weeks, in the newspapers designated to publish the
13 session laws and in such other newspapers published in the county as
14 such board or body may direct, stating the time when the application
15 will be made, a brief description of the lands proposed to be acquired,
16 their location and the area thereof. Any person interested therein may
17 be heard on such presentation. If such consent is granted the corporation may take and hold the lands designated therein. The consent shall
18 not authorize any one corporation to take or hold more than two hundred
19 and fifty acres of land [~~except as provided in paragraph (n) of this section~~], except that such limitation shall not apply in the event of a
20 merger of cemetery corporations. Nothing contained in this subdivision
21 shall prevent any religious corporation in existence on April fifteenth,
22 eighteen hundred fifty-four, in any of said counties from using as heretofore any burial ground then belonging to it within such county. Such
23 board or body, from time to time, may make such regulation as to burials
24 in any cemetery in the county as the public health may require.
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EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD14727-01-0

1 § 2. Paragraph (e) of section 1506 of the not-for-profit corporation
2 law is amended by adding a new subparagraph 3 to read as follows:

3 (3) Notwithstanding the provisions of this section, and subject to
4 section fifteen hundred six-d of this article, nothing herein shall
5 prohibit the merger of cemetery corporations, regardless of proximity or
6 the acreage of the lands held by such cemetery corporations. Any
7 purchase, abandonment, or donation of real property to a cemetery corpo-
8 ration, or merger of cemetery corporations, that has occurred on or
9 before January first, two thousand twenty, including any such trans-
10 action previously authorized or approved by the cemetery board shall be
11 deemed to be duly ratified and shall not be subject to the additional
12 provisions of this section or any further review by the cemetery board.

13 § 3. Paragraph (h) of section 1506 of the not-for-profit corporation
14 law, as added by chapter 871 of the laws of 1977, is amended to read as
15 follows:

16 (h) Acquisition of property by condemnation. If the certificate of
17 incorporation or by-laws of a cemetery corporation do not exclude any
18 person, on equal terms with other persons, from the privilege of
19 purchasing a lot or of burial in its cemetery, such corporation may,
20 from time to time, acquire by condemnation, exclusively for the purposes
21 of a cemetery, not more than two hundred acres of land in the aggregate,
22 forming one continuous tract, wholly or partly within the county in
23 which its certificate of incorporation is filed or recorded, except as
24 in this section otherwise provided as to the counties of Erie, Nassau,
25 Suffolk, Putnam, Kings, Queens, Rockland and Westchester. A cemetery
26 corporation may acquire by condemnation, exclusively for the purposes of
27 a cemetery, any real property or any interest therein necessary to
28 supply water for the uses of such cemetery, and the right to lay, relay,
29 repair and maintain conduits and water pipes with connections and
30 fixtures, in, through or over the lands of others and the right to
31 intercept and divert the flow of waters from the lands of riparian
32 owners, and from persons owning or interested in any waters. But no such
33 cemetery corporation shall have power to take or use water from any of
34 the canals of this state, or any canal reservoirs as feeders, or any
35 streams which have been taken by the state for the purpose of supplying
36 the canals with water. A cemetery corporation may acquire, otherwise
37 than by condemnation, real property [~~as aforesaid~~] as outlined in this
38 article for burial purposes and additional real property[, ~~not exceeding~~
39 ~~in value two hundred thousand dollars,~~] for the purposes of the conven-
40 ient transactions of its business[, ~~no portion of which shall be used~~
41 ~~for the purposes of a cemetery~~].

42 § 4. The not-for-profit corporation law is amended by adding a new
43 section 1506-d to read as follows:

44 § 1506-d. Cemetery merger authorization.

45 (a) Upon application and approval by the cemetery board and in compli-
46 ance with this article and article nine of this chapter, a cemetery
47 corporation organized pursuant to this chapter or by general or special
48 law or by special act of the legislature may merge with one or more
49 other cemetery corporations located within a fifty mile radius of the
50 principal place of business of the surviving cemetery corporation.
51 Nothing in this section shall require, as a condition of any cemetery
52 merger, that the cemetery property involved in such transaction be adja-
53 cent or contiguous property or be limited to a certain maximum number of
54 total acres so long as the merging cemetery corporations demonstrate to
55 the cemetery board that the resulting merged cemetery corporation will

1 have sufficient assets to maintain its cemetery properties and manage
2 its operations.

3 (b) Upon application and approval by the cemetery board and in compli-
4 ance with this article and article nine of this chapter, a cemetery
5 corporation organized pursuant to this chapter or by general or special
6 law or by special act of the legislature, which had, at the end of the
7 preceding financial reporting year, ten million dollars or more in total
8 financial assets, including all general funds, permanent maintenance
9 funds, perpetual care funds, special trust funds and other restricted or
10 unrestricted funds under the control of the cemetery corporation,
11 regardless of the form in which they are held, may merge with one or
12 more cemetery corporations located greater than a fifty mile radius from
13 the principal place of business of the surviving cemetery corporation to
14 create a single entity with multiple cemetery locations, regardless of
15 the geographic distance between its cemetery locations or from the
16 surviving cemetery corporation's principal place of business, so long as
17 the surviving cemetery corporation provides the following to the ceme-
18 tery board: (1) an outline of financial management controls that have
19 been or will be implemented to accommodate multiple cemeteries operated
20 at locations geographically distant from the surviving cemetery; (2) an
21 outline of the total financial assets of each cemetery corporation to be
22 merged demonstrating that the surviving cemetery will have sufficient
23 financial resources to operate the merged cemeteries; (3) information
24 regarding the location of all corporate and cemetery records of the
25 merged cemeteries, as well as procedures for remote access to such
26 records by all lot owners of the merged cemeteries; (4) a plan for
27 providing remote maintenance and operations services to the merged ceme-
28 teries, including those that are geographically distant; (5) contact
29 information, to be posted at the entrance to each merged cemetery and on
30 any website maintained by the surviving cemetery, listing the contact
31 information for the surviving cemetery; (6) procedures for conducting
32 lot owners' meetings for remote merged cemeteries; and (7) procedures
33 for providing notice to lot owners of all merged cemeteries of the
34 place, date and hour of the annual meeting of the surviving cemetery,
35 which notice shall be published in a newspaper located in each county in
36 which any merged cemetery is physically located, shall be prominently
37 posted on the homepage of any web site maintained by the surviving ceme-
38 tery, and shall otherwise comply with section six hundred five of this
39 chapter.

40 (c) Pursuant to section fifteen hundred five-a of this article the
41 surviving cemetery corporation shall, if necessary, within ninety days
42 after the consummation of any merger under this section, amend its
43 certificate of incorporation to list each city, village or town, and
44 county where any part of the surviving cemetery is or is proposed to be
45 situated, and shall file such amended certificate of incorporation with
46 the office of the county clerk of each applicable county.

47 (d) Nothing in this section shall prohibit a cemetery corporation from
48 merging with a crematory operation, regardless of the location of the
49 operation of such cemetery corporation. Any purchase, abandonment, or
50 donation of real property to a cemetery corporation, or merger of ceme-
51 tery corporations, that has occurred on or before January first, two
52 thousand twenty, including any such transaction previously authorized or
53 approved by the cemetery board shall be deemed to be duly ratified and
54 shall not be subject to the additional provisions of section fifteen
55 hundred six of this article or any further review by the cemetery board.

56 § 5. This act shall take effect immediately.