STATE OF NEW YORK

10469

IN ASSEMBLY

May 26, 2022

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Weinstein) -- (at request of the Office of Court Administration) -- read once and referred to the Committee on Judiciary

AN ACT to amend the civil practice law and rules, the business corporation law, the general associations law, the limited liability company law, the not-for-profit corporation law and the partnership law, in relation to consent to jurisdiction by foreign business organizations authorized to do business in New York

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

Section 1. The civil practice law and rules is amended by adding a new section 301-a to read as follows:

§ 301-a. Termination of consent to jurisdiction in certain cases. Where a business organization registered, authorized or designated to do business in this state surrenders, withdraws or otherwise revokes its registration, authorization or certificate of designation, its consent to jurisdiction terminates on the date of such surrender, withdrawal or revocation.

§ 2. Section 1301 of the business corporation law is amended by adding a new paragraph (e) to read as follows:

(e) A foreign corporation's application for authority to do business in this state, whenever filed, constitutes consent to the jurisdiction of the courts of this state for all actions against such corporation. A surrender of such application shall constitute a withdrawal of consent to jurisdiction.

§ 3. Section 18 of the general associations law is amended by adding a new subdivision 5 to read as follows:

5. An association's certificate of designation prescribed by this section, whenever filed, constitutes consent to the jurisdiction of the courts of this state for all actions against such association. A revocation of such designation shall constitute a withdrawal of consent to jurisdiction.

§ 4. Section 802 of the limited liability company law is amended by adding a new subdivision (c) to read as follows:

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

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(c) A foreign limited liability company's application for authority to do business in this state, whenever filed, constitutes consent to the jurisdiction of the courts of this state for all actions against such limited liability company. A surrender of such application shall constitute a withdrawal of consent to jurisdiction.

§ 5. Section 1301 of the not-for-profit corporation law is amended by adding a new paragraph (e) to read as follows:

(e) A foreign corporation's application for authority to conduct activities in this state, whenever filed, constitutes consent to the jurisdiction of the courts of this state for all actions against such corporation unless such corporation is exempt from any law requiring it to designate the secretary of state as agent of the corporation upon whom process against it may be served and it has made no such designation. A surrender of such application shall constitute a withdrawal of consent to jurisdiction.

§ 6. Section 121-902 of the partnership law is amended by adding a new subdivision (e) to read as follows:

(e) A foreign limited partnership's application for authority to do business in this state, whenever filed, constitutes consent to the jurisdiction of the courts of this state for all actions against such foreign limited partnership. A surrender of such application shall constitute a withdrawal of consent to jurisdiction.

§ 7. Section 121-1502 of the partnership law is amended by adding a new subdivision (r) to read as follows:

(r) A foreign limited liability partnership's notice to carry on or conduct or transact business or activities as a New York registered foreign limited liability partnership in this state, whenever filed, constitutes consent to the jurisdiction of the courts of this state for all actions against such foreign limited liability partnership. A withdrawal of such notice shall constitute a withdrawal of consent to jurisdiction.

§ 8. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.