

STATE OF NEW YORK

711

2021-2022 Regular Sessions

IN SENATE

(Prefiled)

January 6, 2021

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:

1 Section 1. Paragraph (a) of section 601 of the not-for-profit corpo-
2 ration law, as amended by chapter 411 of the laws of 2018, 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. Notwithstanding any other provision of law set
17 forth in this paragraph, a housing development fund company or corpo-
18 ration incorporated pursuant to section five hundred seventy-three of
19 the private housing finance law may have a public corporation, authority
20 (whether federal or state housing authority), municipal corporation or
21 housing company as its sole member, provided such housing development
22 fund company or corporation is composed of the chair and the duly
23 appointed and elected commissioners or directors of such public corpo-
24 ration, authority, municipal corporation or housing company.

25 § 2. This act shall take effect immediately.

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

LBD01670-01-1