

New York Enacts Technical Amendments to Nonprofit Law

November 28, 2022

On November 21, 2022, Governor Hochul signed [A9969/S9047](#) (the “Act”) into law, effective immediately. The Act amends the New York Not-for-Profit Corporation Law to modernize provisions for electronic voting by unanimous consent, to better address the term length of directors elected to fill vacancies, and to state even more explicitly that directors who leave a meeting due to a conflict don’t disturb quorums. Specifically, the Act:

1. amended Sections 614(a) and 708(b) to explicitly allow unanimous consent of members and directors, respectively, to act without a meeting by “other electronic means” in addition to email. The purpose of this change is to account for modern technology and to align with current practices among nonprofits, including the use of various electronic portals to collect votes.
2. amended Section 705(c) to allow for a director elected to fill a vacancy to hold office until the end of the term the director was elected or appointed to fill, or for a different term to be determined by the board which ends at an annual meeting. Some practitioners found the existing language of Section 705(c) (“until the next annual meeting at which the election of directors is in the regular order of business”) to be problematic when the board is classified and a directorship of a class that ends after the next annual meeting needs to be filled.
3. amended Section 708(d) to make crystal clear that directors who are present at a meeting but not present at the time of a vote due to a conflict of interest or related party transaction shall be deemed to be present at the time of the vote for purposes of determining if a quorum is present at such time.

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