

STATE OF NEW YORK

No. 1370

Int. 1370

IN ASSEMBLY

(*Prefiled*)

January 6, 1960

Introduced by Mr. CURTO—(at the request of the Joint Legislative Committee on Housing and Multiple Dwellings)—read once and referred to the Committee on Judiciary

AN ACT

To amend the public housing law, in relation to designating the secretary of state as agent of a limited dividend or limited-profit housing company for service of process in any action or proceeding

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

1 Section 1. Section one hundred seventy of the public housing
2 law is hereby amended by adding thereto a new subdivision, to be
3 subdivision fifteen, to read as follows:

4 *15. That the secretary of state is designated as the agent of the*
5 *company upon whom process in any action or proceeding against*
6 *it may be served.*

7 § 2. Section three hundred four of such law is hereby amended
8 by adding thereto a new subdivision, to be subdivision seventeen,
9 to read as follows:

EXPLANATION — Matter in *italics* is new; matter in brackets [] is old law to be omitted.

1 17. *That the secretary of state is designated as the agent of the*
2 *company upon whom process in any action or proceeding against*
3 *it may be served.*

4 § 3. *This act shall take effect immediately.*

5 NOTE.—*This legislation was prepared under the direction of the New York*
6 *State Division of Housing.*

STATE OF NEW YORK

3d Rdg. 164

Nos. 1370, 3982

Int. 1370

IN ASSEMBLY

(Prefiled)

January 6, 1960

Introduced by Mr. CURTO—(at the request of the Joint Legislative Committee on Housing and Multiple Dwellings)—read once and referred to the Committee on Judiciary—reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT

To amend the public housing law, in relation to designating the secretary of state as agent of a limited dividend or limited-profit housing company for service of process in any action or proceeding

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

1 Section 1. Subdivision five of section one hundred seventy of the
2 public housing law as last amended by chapter one hundred forty-
3 eight of the laws of nineteen hundred forty, is hereby amended to
4 read as follows:

5 5. The city, village or town and county or borough in which its
6 principal business is to be located []; if located in the city of New
7 York, the borough thereof in which it is located.], and the

EXPLANATION — Matter in *italics* is new; matter in brackets [] is old law to be omitted.

P. R. 316

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to be

1 address to which the secretary of state shall mail a copy of process
2 in any action or proceeding against the housing company which
3 may be served upon him.

4 § 2. Section one hundred seventy of said law is hereby amended
5 by adding thereto a new subdivision to be subdivision fifteen, to
6 read as follows:

7 15. That the secretary of state is designated as the agent of the
8 company upon whom process in any action or proceeding against
9 it may be served.

10 § 3. Such law is hereby amended by adding thereto a new
11 section, to be section one hundred seventy two-a, to read as follows:

12 § 172-a. Service of process on secretary of state

13 The provisions of subdivision c of section twenty-four and the
14 provisions of section twenty-five of the stock corporation law shall
15 apply to companies organized pursuant to the provisions of this
16 article.

17 § 4. Subdivision five of section three hundred four of such law,
18 as last amended by chapter five hundred five of the laws of nineteen
19 hundred fifty-eight is hereby amended to read as follows:

20 5. The municipality, as well as the county within this state, in
21 which its principal business office is to be located[.], and the
22 address to which the secretary of state shall mail a copy of process
23 in any action or proceeding against the corporation which may be
24 served upon him.

25 § 5. Section three hundred four of such law, is hereby amended
26 by adding thereto a new subdivision, to be subdivision seventeen,
27 to read as follows:

Amended
as numbered by chapter 877 of the laws of 1956,
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1 *17. That the secretary of state is designated as the agent of the*
2 *company upon whom process in any action or proceeding against it*
3 *may be served.*

4 § 6. Such law is hereby amended by adding thereto a new
5 section, to be section three hundred seven-a, to read as follows:

6 § 307-a. *Service of process on secretary of state*

7 *The provisions of subdivision c of section twenty-four, and the*
8 *provisions of section twenty-five of the stock corporation law shall*
9 *apply to companies organized pursuant to the provisions of this*
10 *article.*

11 § 7. This act shall take effect immediately.

12 NOTE.—This legislation was prepared under the direction of the New York
13 State Division of Housing.

STATE OF NEW YORK

3d Rdg. 164 Nos. 1370, 3982, 4723 Int. 1370

IN ASSEMBLY

(*Prefiled*)

January 6, 1960

Introduced by Mr. CURTO—(at the request of the Joint Legislative Committee on Housing and Multiple Dwellings)—read once and referred to the Committee on Judiciary—reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading—again amended on third reading, ordered reprinted, retaining its place on the order of third reading and re-engrossed

AN ACT

To amend the public housing law, in relation to designating the secretary of state as agent of a limited dividend or limited-profit housing company for service of process in any action or proceeding

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

- 1 Section 1. Subdivision five of section one hundred seventy of the
2 public housing law, is hereby amended to read as follows:
- 3 5. The city, village or town *and county or borough* in which its
4 principal business office is to be located[; if located in the city of
5 New York, the borough thereof in which it is to be located.], *and the*
6 *address to which the secretary of state shall mail a copy of process*

EXPLANATION — Matter in *italics* is new; matter in brackets [] is old law to be omitted.

1 *in any action or proceeding against the housing company which*
2 *may be served upon him.*

3 § 2. Section one hundred seventy of said law is hereby amended
4 by adding thereto a new subdivision to be subdivision fifteen, to
5 read as follows:

6 *15. That the secretary of state is designated as the agent of the*
7 *company upon whom process in any action or proceeding against*
8 *it may be served.*

9 § 3. Such law is hereby amended by adding thereto a new
10 section, to be section one hundred seventy two-a, to read as follows:

11 § 172-a. *Service of process on secretary of state*

12 *The provisions of subdivision c of section twenty-four and the*
13 *provisions of section twenty-five of the stock corporation law shall*
14 *apply to companies organized pursuant to the provisions of this*
15 *article.*

16 § 4. Subdivision five of section three hundred four of such law,
17 as amended by chapter eight hundred seventy-seven of the laws
18 of nineteen hundred fifty-six, is hereby amended to read as follows:

19 5. The municipality, as well as the county within this state, in
20 which its principal business office is to be located[.], and the
21 address to which the secretary of state shall mail a copy of process
22 in any action or proceeding against the corporation which may be
23 served upon him.

24 § 5. Section three hundred four of such law, is hereby amended
25 by adding thereto a new subdivision, to be subdivision seventeen,
26 to read as follows:

1 17. That the secretary of state is designated as the agent of the
2 company upon whom process in any action or proceeding against it
3 may be served.

4 § 6. Such law is hereby amended by adding thereto a new
5 section, to be section three hundred seven-a, to read as follows:

6 § 307-a. *Service of process on secretary of state*

7 *The provisions of subdivision c of section twenty-four, and the*
8 *provisions of section twenty-five of the stock corporation law shall*
9 *apply to companies organized pursuant to the provisions of this*
10 *article.*

11 § 7. This act shall take effect immediately.

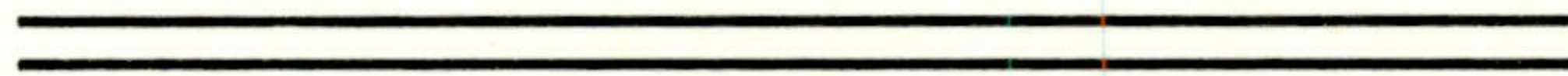
12 NOTE.—This legislation was prepared under the direction of the New York
13 State Division of Housing.

NOTICE FROM ASSEMBLY REVISION ROOM NO. 310 (Upstairs Office)

ASSEMBLYMAN.....*Curtis*.....

.....*Feb 18, 1960*.....
(Date)

An error has been noted in your bill Print No.....*3982*....., Int. No.*1370*..... which will necessitate an amendment before it can be passed. Please contact us immediately.



CHAIRMAN OF.....*Judiciary*.....**COMMITTEE**

The above mentioned bill requires a revision amendment. If it is to be reported from committee and has not been amended, please contact the introducer before reporting the bill.

Sincerely yours,

EUGENE R. PLATTEN

Chief Revision Clerk

Pr 3982

(Legislative Proposal #16)

DIVISION OF HOUSING - 1960 LEGISLATIVE PROGRAM

COMMENT

The purpose of this bill is to conform the appropriate sections of the Public Housing Law relating to limited dividend and limited-profit housing companies to similar provisions of the General Business, General Corporation and Stock Corporation Laws, requiring designation of the Secretary of State as the agent of the corporation upon whom process may be served.

This bill would amend Section 170 of the Public Housing Law relating to the incorporation of limited dividend housing companies and Section 304 of the Public Housing Law relating to the incorporation of limited-profit housing companies by requiring every limited dividend housing company and every limited-profit housing company to file a certificate with the Secretary of State designating the latter as the agent of the company upon whom process in any action or proceeding may be served.

The bill has no prior legislative history.

The provisions of this bill would facilitate service of process against limited dividend and limited-profit housing companies where managing agents and other officials of the companies are not easily located. Although limited dividend and limited-profit housing companies are subject to the provisions of the Stock Corporation Law and by implication should adhere to the requirement of that law that the Secretary of State be designated as the agent upon whom process may be served, there has not been any general compliance therewith. The proposed amendments, by making such designation mandatory, bring all housing companies into complete conformity with other stock corporations doing business in this State.

The bill would not require any appropriation or expenditure of State funds.

The Division of Housing recommends approval of this bill.

November 19, 1959

(Legislative Proposal #16)

DIVISION OF HOUSING - 1960 LEGISLATIVE PROGRAM

COMMENT

The purpose of this bill is to conform the appropriate sections of the Public Housing Law relating to limited dividend and limited-profit housing companies to similar provisions of the General Business, General Corporation and Stock Corporation Laws, requiring designation of the Secretary of State as the agent of the corporation upon whom process may be served.

This bill would amend Section 170 of the Public Housing Law relating to the incorporation of limited dividend housing companies and Section 304 of the Public Housing Law relating to the incorporation of limited-profit housing companies by requiring every limited dividend housing company and every limited-profit housing company to file a certificate with the Secretary of State designating the latter as the agent of the company upon whom process in any action or proceeding may be served.

The bill has no prior legislative history.

The provisions of this bill would facilitate service of process against limited dividend and limited-profit housing companies where managing agents and other officials of the companies are not easily located. Although limited dividend and limited-profit housing companies are subject to the provisions of the Stock Corporation Law and by implication should adhere to the requirement of that law that the Secretary of State be designated as the agent upon whom process may be served, there has not been any general compliance therewith. The proposed amendments, by making such designation mandatory, bring all housing companies into complete conformity with other stock corporations doing business in this State.

The bill would not require any appropriation or expenditure of State funds.

The Division of Housing recommends approval of this

Nov. 19, 1959

*For amended
version of AI 1370*

(Legislative Proposal #16)

DIVISION OF HOUSING - 1960 LEGISLATIVE PROGRAM

REVISED COMMENT

The purpose of this bill is to conform the appropriate sections of the Public Housing Law relating to limited dividend and limited profit housing companies to similar provisions of the General Corporation and Stock Corporation Laws, requiring designation of the Secretary of State as the agent of the corporation upon whom process may be served.

This bill would amend Section 170 of the Public Housing Law relating to the incorporation of limited dividend housing companies and Section 304 of the Public Housing Law relating to the incorporation of limited profit housing companies by requiring every limited dividend housing company and every limited profit housing company to file a certificate with the Secretary of State designating the latter as the agent of the company upon whom process in any action or proceeding may be served. It would also incorporate the provisions of subdivision C of section 84, and the provisions of section 25 of the Stock Corporation Law. These provisions refer to the changing of a company's address, and to the details of service, fees, etc.

The bill has no prior legislative history.

The provisions of this bill would facilitate service of process against limited dividend and limited profit housing companies where managing agents and other officials of the companies are not easily located. Although limited dividend and limited profit housing companies are subject to the provisions of the Stock Corporation Law and by implication should adhere to the requirement of that law that the Secretary of State be designated as the agent upon whom process may be served, there has not been any general compliance therewith. The proposed amendments, by making such designation mandatory, bring all housing companies into complete conformity with other stock corporations doing business in this State.

The bill would not require any appropriation or expenditure of State funds.

The Division of Housing recommends approval of this bill.

February 8, 1960

Bill is being amended

Memorandum in re A. I. 1370

An Act to amend the public housing law, in relation to designating the secretary of state as agent of a limited dividend or limited profit housing company for service of process in any action of proceedings.

General Statement

Limited dividend and limited profit housing companies are subject to the provisions of the General Corporation Law and Stock Corporation Law. (PIL Section 172, 307). Nevertheless there has been no general compliance with the specific provisions of Stock Corporation Law sections 24 and 25 requiring a limited dividend or limited profit housing company to designate the secretary of state as their agent for the service of process and the manner in which such process shall be handled.

The following reply is made to the specific questions asked in debate on the above bill.

1. Is there any provision for first attempting to serve the officers of a limited dividend or limited profit housing company before serving the secretary of state?

Sections 24 and 25 of the Stock Corporation Law have no such requirement. However, as a practical matter to save time and expense, personal service is generally attempted to be made upon an officer of a company before such service is made upon the secretary of state.

2. Is there any provision for the secretary of state being required to forward process to the company?

Such provision is contained in section 25 of the Stock Corporation Law. Assuming the secretary of state was served with such process, he would as a matter of course forward such process to the company under this provision of the statute.

3. What type of process is involved?

Regardless of the nature of the action or proceeding, the secretary of state would be designated as the agent of the company to receive process.

Int. 1370

HOUSING LAW No. 3982
SERVICE OF PROCESS

Amended 2/22/60 # 3982 PR

Trans. to Dow, 3-30-60

Int. 1370

HOUSING LAW No. 3982
SERVICE OF PROCESS
AN ACT

To amend the public housing law, in relation to designating the secretary of state as agent of a limited dividend or limited-profit housing company for service of process in any action or proceeding