

ASSEMBLY, No. 4128

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 4, 2020

Sponsored by:

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

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District 33 (Hudson)

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District 7 (Burlington)

Co-Sponsored by:

Assemblywomen Jimenez and Tucker

SYNOPSIS

Concerns participation in certain meetings by means of remote communication during state of emergency declared by the Governor.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/11/2020)

1 AN ACT concerning certain remote meetings and amending
2 N.J.S.15A:5-1 and P.L.1948, c.67.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 1. N.J.S.15A:5-1 is amended to read as follows:

8 15A:5-1. a. Meetings of members of every corporation organized
9 under this title may, unless otherwise provided by law, be held at a
10 place, within or without this State, as may be provided in the bylaws
11 or as may be fixed by the board pursuant to authority granted by the
12 bylaws. In the absence of such a provision, all meetings of members
13 shall be held at the registered office of the corporation. During a
14 state of emergency declared by the Governor, a meeting of members
15 may be held by means of remote communication to the extent the
16 board authorizes and adopts guidelines and procedures governing
17 such a meeting.

18 b. One or more members may participate in a meeting by means
19 of remote communication to the extent the board authorizes that
20 participation. Meetings conducted in part or solely by means of
21 remote communication in reliance upon this subsection and any
22 member's remote participation in those meetings shall be subject to
23 those guidelines and procedures as the board adopts, and shall be in
24 conformity with subsection c. of this section.

25 c. A member participating in a meeting of members by means of
26 remote communication in reliance upon subsection a. of this section
27 shall be deemed present in person and shall be entitled to vote at the
28 meeting regardless of whether that meeting is held at a designated
29 place or solely by means of remote communication. In any meeting
30 conducted in part or solely by means of remote communication in
31 reliance upon subsection a. of this section, the corporation shall
32 implement reasonable measures to:

33 (1) verify that each person participating remotely is a member or
34 a proxy of a member;

35 (2) provide each member participating remotely with a
36 reasonable opportunity to participate in the meeting, including an
37 opportunity to vote on matters submitted to the members, and to read
38 or hear the proceedings of the meeting substantially concurrently
39 with those proceedings; and

40 (3) record and maintain a record of any votes or other actions
41 taken by remote communication at the meeting.

42 d. A meeting currently noticed for a physical location may be
43 changed to a meeting conducted by remote communication by
44 providing notice of the day and hour of the meeting, the nature of the
45 business to be transacted, and the means of remote communication to

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 be used in a document posted by the corporation on its website in a
2 prominent location. A meeting noticed during a state of emergency
3 to be held by means of remote communication may be held by means
4 of remote communication even if the state of emergency ends prior
5 to the day and hour noticed for the meeting.

6 (cf: P.L.2020, c.20, s.1)

7
8 2. Section 81 of P.L.1948, c.67 (C.17:9A-81) is amended to read
9 as follows:

10 81. Stockholders' meetings; notice. Notice of all meetings of
11 stockholders shall be given to the stockholders not less than 10 nor
12 more than 60 days prior thereto, by mail, postage prepaid, addressed
13 to each stockholder at his address as it appears on the books of the
14 bank. The notice shall specify the place, day and hour of the meeting
15 and the nature of the business to be transacted. If participation by
16 stockholders by means of remote communication has been authorized
17 pursuant to subsection b. of section 83 of P.L.1948, c.67 (C.17:9A-
18 83), the notice to stockholders shall describe the means of remote
19 communication to be used. Except as otherwise provided by section
20 79, no business may be transacted at any meeting except that
21 specified in the notice of the meeting.

22 (cf: P.L.1986, c.186, s.4)

23
24 3. Section 83 of P.L.1948, c.67 (C.17:9A-83) is amended to read
25 as follows:

26 83. a. Any meeting of stockholders may be held at the principal
27 office of the bank, or at any branch office, or at any place other than
28 the principal office or a branch office, provided such other place is
29 in a municipality in which the bank maintains its principal office or
30 a branch office. Each meeting shall be convened at such hour as is
31 fixed by the by-laws, or, if not so fixed, at such hour as shall be stated
32 in the call for the meeting. Any meeting may be adjourned from time
33 to time for any period of time and to any place where it is lawful to
34 hold a meeting. When any meeting is adjourned, it shall not be
35 necessary to give any notice of the adjourned meeting.

36 b. (1) During a state of emergency declared by the Governor, a
37 meeting of stockholders may be held by means of remote
38 communication. A meeting currently noticed for a physical location
39 may be changed to a meeting conducted by remote communication
40 by providing notice of the day and hour of the meeting, the nature of
41 the business to be transacted, and the means of remote
42 communication to be used in a document filed by the bank with the
43 Department of Banking and Insurance and posted on the bank's
44 website in a prominent location. A meeting noticed during a state of
45 emergency to be held by means of remote communication may be
46 held by means of remote communication even if the state of
47 emergency ends prior to the day and hour noticed for the meeting.

1 (c) record and maintain a record of any votes or other actions
2 taken by remote communication at the meeting.

3 The bill also provides that, with regard to remote meetings
4 conducted by nonprofit corporations, a meeting noticed for a physical
5 location may be changed to a meeting conducted by remote
6 communication by providing notice of the day and hour of the
7 meeting, the nature of the business to be transacted, and the means of
8 remote communication to be used in a document posted by the
9 corporation on its website in a prominent location. Further, a meeting
10 noticed during a state of emergency to be held by means of remote
11 communication may be held by means of remote communication
12 even if the state of emergency ends prior to the day and hour noticed
13 for the meeting.