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HEARINGS: No

NEWSPAPER ARTICLES: Yes

"Coronavirus NJ: Murphy signs bill to protect sick," northjersey.com, March 20, 2020

Rwh/cl

P.L. 2020, CHAPTER 15, *approved March 20, 2020*
Assembly, No. 3861

1 AN ACT concerning corporations and remote shareholders' meetings
2 and amending N.J.S.14A:5-1.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. N.J.S.14A:5-1 is amended to read as follows:
8 14A:5-1. Place of shareholders' meetings.

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

19 (2) **【A shareholder】** One or more shareholders may participate
20 in a meeting of shareholders by means of remote communication to
21 the extent the board authorizes that participation. **【Participation】**
22 Shareholder meetings conducted in part or solely by means of
23 remote communication in reliance upon this subsection and any
24 shareholder's remote participation in those meetings shall be
25 subject to those guidelines and procedures as the board adopts, and
26 shall be in conformity with subsection 14A:5-1(3).

27 (3) A shareholder participating in a meeting of shareholders by
28 means of remote communication in reliance upon subsection 14A:5-
29 1(1) shall be deemed present in person and shall be entitled to vote
30 at the meeting **【if】** regardless of whether that meeting is held at a
31 designated place or solely by means of remote communication. In
32 any shareholder meeting conducted in part or solely by means of
33 remote communication in reliance upon subsection 14A:5-1(1), the
34 corporation **【has implemented】** shall implement reasonable
35 measures to:

36 (a) verify that each person participating remotely is a
37 shareholder or a proxy of a shareholder; **【and】**

38 (b) provide each shareholder participating remotely with a
39 reasonable opportunity to participate in the meeting, including an
40 opportunity to vote on matters submitted to the shareholders, and to
41 read or hear the proceedings of the meeting substantially
42 concurrently with those proceedings; and

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

45 (cf: P.L.2013, c.41, s.1.)

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 2. This act shall take effect immediately.

2

3

4

STATEMENT

5

6 This bill permits corporations to hold shareholders' meetings in
7 part or solely by means of remote communication.

8 Pursuant to current law, corporations are permitted to allow
9 shareholders to participate in shareholders' meetings by means of
10 remote communication, but the meetings are required to be held at a
11 physical location. Under the bill, during a state of emergency
12 declared by the Governor, a meeting of shareholders may be held by
13 means of remote communication to the extent the board authorizes
14 and adopts guidelines and procedures governing such a meeting.

15 The bill also provides that shareholders participating in a
16 meeting of shareholders by means of remote communication are
17 deemed to be present in person and are entitled to vote at the
18 meeting, regardless of whether the meeting is held at a designated
19 place or solely by means of remote communication.

20 This bill will give corporations greater flexibility in how they
21 hold their shareholders' meetings. Remote meetings can offer
22 broader accessibility to shareholders and increase shareholder
23 participation. It also offers corporations a potential cost savings, as
24 the expense of meetings held solely by means of remote
25 communication is typically less than the expense of meetings held
26 at a designated place.

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31 Permits corporations to hold shareholders' meetings in part or
32 solely by means of remote communication during state of
33 emergency.

ASSEMBLY, No. 3861

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

Assemblyman GORDON M. JOHNSON

District 37 (Bergen)

Assemblyman LOUIS D. GREENWALD

District 6 (Burlington and Camden)

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator M. TERESA RUIZ

District 29 (Essex)

Senator MICHAEL L. TESTA, JR.

District 1 (Atlantic, Cape May and Cumberland)

Senator CHRIS A. BROWN

District 2 (Atlantic)

Senator JAMES W. HOLZAPFEL

District 10 (Ocean)

Senator ROBERT W. SINGER

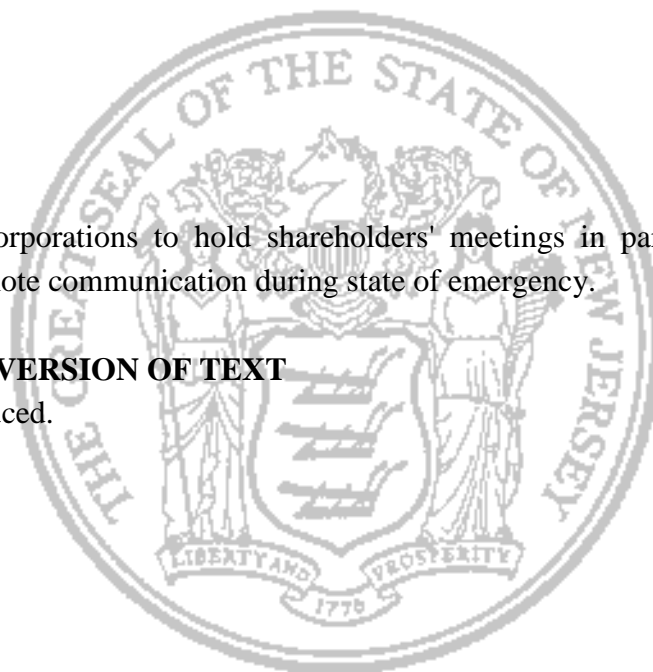
District 30 (Monmouth and Ocean)

SYNOPSIS

Permits corporations to hold shareholders' meetings in part or solely by means of remote communication during state of emergency.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/19/2020)

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20 in a meeting of shareholders by means of remote communication to
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22 Shareholder meetings conducted in part or solely by means of
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SENATE, No. 2290

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Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator M. TERESA RUIZ

District 29 (Essex)

Senator MICHAEL L. TESTA, JR.

District 1 (Atlantic, Cape May and Cumberland)

Senator CHRIS A. BROWN

District 2 (Atlantic)

Senator JAMES W. HOLZAPFEL

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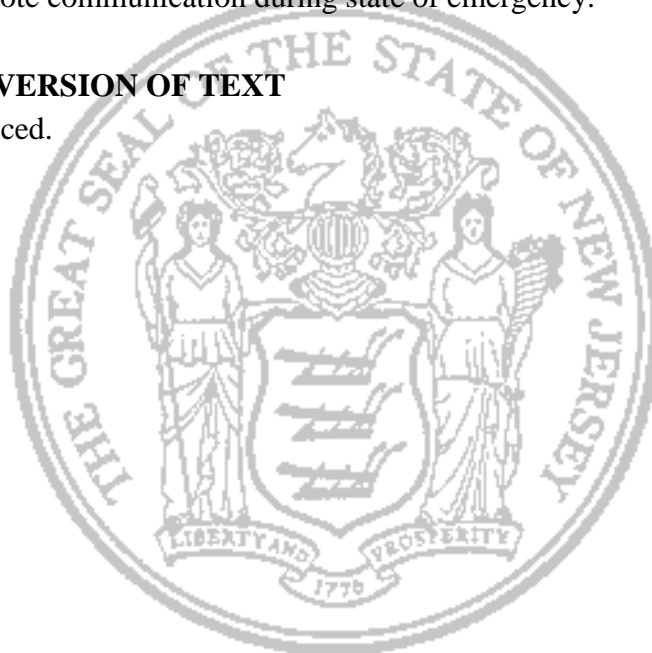
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Governor Murphy Takes Action on Legislation

03/20/2020

TRENTON – Today, Governor Phil Murphy signed the following bills and resolutions into law:

A-3095/S-1982 (Mazzeo/Beach, Turner) – Provides county clerks with additional week to mail ballots for 2020 primary election; requires ballot position draw to occur one day early if statutory date falls on holiday

A-3840/S-2281 (Lampitt, Dunn, Quijano/Ruiz, Cunningham) – Requires school districts to provide school meals or meal vouchers to students eligible for free and reduced price school meals during school closures due to COVID-19 epidemic

A-3843/S-2283 (McKeon, Bramnick, Chaparro/Vitale, Lagana, Pou, Bateman) – Requires health insurance and Medicaid coverage for testing of coronavirus disease 2019 and for telemedicine and telehealth during coronavirus disease 2019 state of emergency

A-3849/S-2302 (Johnson, Moen, Timberlake/A.M. Bucco, Cruz-Perez, Weinberg, Ruiz, Addiego, Madden, C.A. Brown, Holzapfel, Singer, O'Scanlon) – Modifies deadline by which public agency is required to respond to request for government record during period of emergency

A-3850/S-2294 (Murphy, DeCroce, Moen/Beach, A.M. Bucco, Weinberg, Cruz-Perez, Ruiz, Addiego, Madden, Holzapfel, Singer, O'Scanlon) – Allows public bodies to conduct meetings, and provide notice, by electronic means during periods of emergency

A-3851/S-2295 (Schaer, Scharfenberger, Reynolds-Jackson/A.M. Bucco, Gopal, Cruz-Perez, Madden, Ruiz, Scutari, Bateman, C.A. Brown, Holzapfel, Singer, O'Scanlon, Oroho) – Permits extension of deadlines for adoption of county and municipal budgets under certain circumstances

A-3854/S-2286 (Conaway, Munoz, Benson/Vitale, Gill, Cruz-Perez, Ruiz, Addiego, Greenstein, T. Kean, C.A. Brown, Holzapfel, Singer, O'Scanlon) – Authorizes all licensed health care facilities and laboratories to collect specimens to test for coronavirus disease 2019 (COVID-19); allows waiver of staffing ratio requirements

A-3855/S-2287 (Mosquera, Stanfield, Vainieri Huttle/T. Kean, Codey, Cruz-Perez, Ruiz, Addiego, Pennacchio, C.A. Brown, Holzapfel, Singer, O'Scanlon) – Requires food access information be displayed on websites of 2-1-1 system and executive branch departments during public health emergencies to the extent practicable

A-3861/S-2290 (Karabinchak, Johnson, Greenwald/Diegnan, Ruiz, Testa, C.A. Brown, Holzapfel, Singer) – Permits corporations to hold shareholders' meetings in part or solely by means of remote communication during state of emergency

A-3865/S-2291 (Chaparro, Reynolds-Jackson, Verrelli/Addiego, Bateman, Pou, Ruiz, C.A. Brown, Holzapfel, Singer, Turner) – Limits return of items purchased from retail food stores under certain circumstances

AJR-158/SJR-77 (DeAngelo, DePhillips/Cruz-Perez, Pou, Ruiz, Greenstein, T. Kean, C.A. Brown, Holzapfel, Singer, O'Scanlon) – Urges FCC to take temporary measures to secure broadband access for those affected by COVID-19