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HOUSE BILL 917

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Robert M. Burpo

AN ACT

RELATING TO CORPORATIONS; PROVIDING FOR SHAREHOLDER VOTING PROCEDURES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 53-18-6.1 NMSA 1978 (being Laws 1983, Chapter 304, Section 72) is amended to read:

"53-18-6.1. VOTING REQUIREMENTS--EXISTING CORPORATIONS.--

A. The provisions of ~~[these]~~ the 1983 amendments to the Business Corporation Act lowering voting requirements from a two-thirds majority to a simple majority shall not apply to any corporation that was in existence on ~~[the effective date of this section]~~ June 17, 1983 until the corporation, by amendment to its articles of incorporation, chooses to become subject to those provisions, except as

underscored material = new  
[bracketed material] = delete

underscored material = new  
[bracketed material] = delete

1 provided in Subsection B of this section.

2 B. Corporations in existence on June 17, 1983,  
3 which, as of July 1, 2001, are listed on a national securities  
4 exchange, or whose shares are publicly traded on a over-the-  
5 counter basis and have more than four hundred fifty  
6 shareholders of record, shall be subject to the lower voting  
7 requirements established by the 1983 amendments to the  
8 Business Corporation Act upon adoption of a bylaws provisions  
9 by the board of directors making the corporation subject to  
10 the lower voting requirements. The bylaws provision adopted  
11 pursuant to this subsection may be rescinded only by  
12 submission to the shareholders of a proposal to amend the  
13 articles of incorporation to establish a greater voting  
14 requirement in accordance with the provisions of Section  
15 53-18-6 NMSA 1978, which proposal may be made by any  
16 shareholder of record. "