

Amendment to HB 1345

1 Amend RSA 126-X:8, XX as inserted by section 4 of the bill by replacing it with the following:

2
3 XX. An alternative treatment center organized as a voluntary corporation under RSA 292
4 may, on or before December 31, 2020, convert from a voluntary corporation under RSA 292 to either
5 a domestic business corporation organized under RSA 293-A or a limited liability company organized
6 under RSA 304-C in any of the following ways:

7 (a) By adopting a plan of entity conversion in accordance with RSA 293-A or RSA 304-C,
8 as applicable, that includes a provision prohibiting the sale of memberships or shares to a foreign
9 corporation for a period of 3 years, provided that each such conversion shall be authorized by a vote
10 of 2/3 of the members of the board of directors at a meeting duly called for the purpose or by
11 unanimous written consent.

12 (b) By adopting a plan of merger in accordance with RSA 293-A that includes a provision
13 prohibiting the sale of memberships or shares to a foreign corporation for a period of 3 years, for
14 which the domestic business corporation shall be the surviving entity, provided that, such merger
15 shall be authorized by a vote of 2/3 of the members of the board of directors of the alternative
16 treatment center at a meeting duly called for the purpose or by unanimous written consent.

17 (c) By adopting a plan of merger in accordance with RSA 304-C that includes a provision
18 prohibiting the sale of memberships or shares to a foreign corporation for a period of 3 years, for
19 which the domestic limited liability company shall be the surviving entity, provided that, such
20 merger shall be authorized by a vote of 2/3 of the members of the board of directors at a meeting duly
21 called for the purpose or by unanimous written consent.

22
23 Amend RSA 126-X:8, XXIV as inserted by section 4 of the bill by replacing it with the following:

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25 XXIV.(a) Any alternative treatment center choosing to convert or merge pursuant to this
26 section shall obtain an independent fair market valuation of its total assets as of June 30, 2020. The
27 valuation of the total assets of such alternative treatment center, if positive, shall be distributed to
28 one or more charitable organizations solely for charitable purposes. The director of charitable trusts
29 shall receive a copy of the valuation and may file any objection relating thereto with the court within
30 60 days. Except as set forth in this section and notwithstanding any other law to the contrary, no
31 portion of the assets of such alternative treatment center after the conversion or merger, as
32 applicable, shall be deemed to be charitable assets.

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1 (b) Any alternative treatment center choosing to convert or merge pursuant to this
2 section shall submit a copy the plan of conversion or merger to the director of charitable trusts. The
3 director may file an objection relating to the plan with the court within 60 days.

4 (c) Any alternative treatment center that has converted or merged pursuant to this
5 section shall on December 31, 2020 and thereafter for 2 years file a letter with the director of
6 charitable trusts certifying compliance with the requirements of RSA 128-X:8, XX.

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8 Amend RSA 292:7, II as inserted by section 5 of the bill by replacing it with the following:
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10 ***II. An alternative treatment center registered pursuant to RSA 126-X and organized***
11 ***under this chapter may, pursuant to RSA 126-X:8, XX, convert to either a domestic***
12 ***corporation organized under RSA 293-A or a limited liability company organized under***
13 ***RSA 304-C, and may merge with a domestic business corporation organized under RSA 293-***
14 ***A or a limited liability company organized under RSA 304-C.***