

2011-2012 Regular Sessions

I N S E N A T E

(PREFILED)

January 5, 2011

Introduced by Sens. SQUADRON, ADDABBO, KRUEGER, PERKINS, SERRANO -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the business corporation law, the cooperative corporations law, the not-for-profit corporation law, the railroad law, the transportation corporations law, the banking law and the limited liability company law, in relation to enacting the "corporate political activity accountability to shareholders act"

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Short title. This act shall be known and may be cited as
2 the "corporate political activity accountability to shareholders act".
3 S 2. The business corporation law is amended by adding a new section
4 631 to read as follows:
5 S 631. POLITICAL CONTRIBUTIONS.
6 (A) DEFINITIONS. WHEN USED IN THIS SECTION:
7 (1) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
8 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
9 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
10 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
11 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
12 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
13 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
14 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
15 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
16 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
17 REGULATION;
18 (2) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
19 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
20 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [] is old law to be omitted.

LBD01406-01-1

1 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
2 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
3 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
4 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
5 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
6 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
7 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
8 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
9 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
10 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
11 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
12 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
13 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
14 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
15 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
16 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
17 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

18 (B) NOTWITHSTANDING ANY OTHER LIMITS ON CORPORATE CONTRIBUTIONS TO, OR
19 EXPENDITURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR PARTY OFFICE, POLI-
20 TICAL COMMITTEES, PARTY COMMITTEES OR BALLOT REFERENDUM, BEFORE A CORPO-
21 RATION OR ANY OF ITS SUBSIDIARIES MAY MAKE A CONTRIBUTION OR INDEPENDENT
22 EXPENDITURE, THE CORPORATION SHALL, AT LEAST ANNUALLY, OBTAIN THE PRIOR
23 AUTHORIZATION BY VOTE OF A MAJORITY OF THE SHARES CAST ON SUCH RESOL-
24 UTION TO MAKE CONTRIBUTIONS OR INDEPENDENT EXPENDITURES UP TO A STATED
25 AGGREGATE ANNUAL AMOUNT.

26 (C) ANY CORPORATION, EITHER BY ITSELF OR ITS SUBSIDIARIES, MAKING A
27 CONTRIBUTION OR INDEPENDENT EXPENDITURE SHALL AT LEAST ANNUALLY DISCLOSE
28 TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY OF STATE AN ACCOUNTING
29 OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES USED FOR SUCH
30 PURPOSES, INCLUDING:

31 (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
32 (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
33 (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
34 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
35 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
36 REGULATION SUPPORTED OR OPPOSED; AND
37 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
38 EXPENDITURE.

39 (D) THE SECRETARY OF STATE SHALL POST EACH CORPORATION'S ANNUAL
40 DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF STATE.

41 (E) THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
42 TO ENFORCE THE PROVISIONS OF THIS SECTION.

43 S 3. The cooperative corporations law is amended by adding a new
44 section 78 to read as follows:

45 S 78. POLITICAL CONTRIBUTIONS. 1. DEFINITIONS. WHEN USED IN THIS
46 SECTION:

47 (A) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
48 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
49 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
50 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
51 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
52 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
53 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
54 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
55 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY

1 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
2 REGULATION;

3 (B) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
4 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
5 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
6 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
7 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
8 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
9 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
10 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
11 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
12 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
13 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
14 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
15 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
16 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
17 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
18 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
19 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
20 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
21 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
22 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

23 2. NOTWITHSTANDING ANY OTHER LIMITS ON COOPERATIVE CORPORATION
24 CONTRIBUTIONS TO OR EXPENDITURES ON BEHALF OF POLITICAL CANDIDATES,
25 POLITICAL COMMITTEES, PARTY COMMITTEES, OR BALLOT REFERENDUMS, BEFORE A
26 COOPERATIVE CORPORATION MAY MAKE A CONTRIBUTION OR INDEPENDENT EXPENDI-
27 TURE, THE COOPERATIVE CORPORATION SHALL AT LEAST ANNUALLY OBTAIN THE
28 PRIOR AUTHORIZATION BY VOTE OF A MAJORITY OF THE SHARES OR MEMBERS CAST
29 ON SUCH RESOLUTION TO MAKE CONTRIBUTIONS OR INDEPENDENT EXPENDITURES, UP
30 TO A STATED AGGREGATE ANNUAL AMOUNT.

31 3. ANY COOPERATIVE CORPORATION, EITHER BY ITSELF OR ITS SUBSIDIARIES,
32 MAKING A CONTRIBUTION OR INDEPENDENT EXPENDITURE SHALL, AT LEAST ANNUAL-
33 LY, DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY OF STATE AN
34 ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES USED FOR
35 SUCH PURPOSES, INCLUDING:

36 (A) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

37 (B) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

38 (C) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
39 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
40 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
41 REGULATION SUPPORTED OR OPPOSED; AND

42 (D) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
43 EXPENDITURE.

44 4. THE SECRETARY OF STATE SHALL POST EACH COOPERATIVE CORPORATION'S
45 ANNUAL DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF STATE.

46 5. THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
47 TO ENFORCE THE PROVISIONS OF THIS SECTION.

48 S 4. The not-for-profit corporation law is amended by adding a new
49 section 523 to read as follows:

50 S 523. POLITICAL CONTRIBUTIONS.

51 (A) DEFINITIONS. WHEN USED IN THIS SECTION:

52 (1) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
53 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
54 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
55 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
56 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-

1 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
2 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
3 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
4 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
5 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
6 REGULATION;

7 (2) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
8 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
9 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
10 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
11 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
12 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
13 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
14 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
15 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
16 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
17 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
18 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
19 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
20 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
21 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
22 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
23 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
24 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
25 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
26 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

27 (B) NOTWITHSTANDING ANY OTHER LIMITS ON NOT-FOR-PROFIT CORPORATION
28 CONTRIBUTIONS TO, OR EXPENDITURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR
29 PARTY OFFICE, POLITICAL COMMITTEES, PARTY COMMITTEES OR BALLOT REFEREN-
30 DUM, BEFORE A NOT-FOR-PROFIT CORPORATION OR ANY OF ITS SUBSIDIARIES MAY
31 MAKE A CONTRIBUTION OR INDEPENDENT EXPENDITURE, THE NOT-FOR-PROFIT
32 CORPORATION SHALL, AT LEAST ANNUALLY, OBTAIN THE PRIOR AUTHORIZATION BY
33 VOTE OF A MAJORITY OF THE MEMBERS VOTING ON SUCH RESOLUTION TO MAKE
34 CONTRIBUTIONS OR INDEPENDENT EXPENDITURES UP TO A STATED AGGREGATE ANNU-
35 AL AMOUNT.

36 (C) ANY NOT-FOR-PROFIT CORPORATION, EITHER BY ITSELF OR ITS SUBSID-
37 IARIES, MAKING A CONTRIBUTION OR INDEPENDENT EXPENDITURE SHALL AT LEAST
38 ANNUALLY DISCLOSE TO ITS MEMBERS AND FILE WITH THE SECRETARY OF STATE AN
39 ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES USED FOR
40 SUCH PURPOSES, INCLUDING:

41 (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

42 (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

43 (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
44 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
45 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
46 REGULATION SUPPORTED OR OPPOSED; AND

47 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
48 EXPENDITURE.

49 (D) THE SECRETARY OF STATE SHALL POST EACH NOT-FOR-PROFIT CORPO-
50 RATION'S ANNUAL DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF
51 STATE.

52 (E) THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
53 TO ENFORCE THE PROVISIONS OF THIS SECTION.

54 S 5. The railroad law is amended by adding a new section 35 to read as
55 follows:

1 S 35. POLITICAL CONTRIBUTIONS. 1. DEFINITIONS. WHEN USED IN THIS
2 SECTION:

3 (A) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
4 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
5 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
6 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
7 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
8 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
9 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
10 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
11 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
12 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
13 REGULATION;

14 (B) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
15 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
16 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
17 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
18 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
19 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
20 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
21 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
22 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
23 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
24 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
25 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
26 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
27 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
28 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
29 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
30 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
31 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
32 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
33 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

34 2. NOTWITHSTANDING ANY OTHER LIMITS ON RAILROAD CORPORATION CONTRIB-
35 UTIONS TO OR EXPENDITURES ON BEHALF OF POLITICAL CANDIDATES, POLITICAL
36 COMMITTEES, PARTY COMMITTEES, OR BALLOT REFERENDUMS, BEFORE A RAILROAD
37 CORPORATION MAY MAKE A CONTRIBUTION OR INDEPENDENT EXPENDITURE, THE
38 RAILROAD CORPORATION SHALL AT LEAST ANNUALLY OBTAIN THE PRIOR AUTHORI-
39 ZATION BY VOTE OF A MAJORITY OF THE SHARES OR MEMBERS CAST ON SUCH
40 RESOLUTION TO MAKE CONTRIBUTIONS OR INDEPENDENT EXPENDITURES, UP TO A
41 STATED AGGREGATE ANNUAL AMOUNT.

42 3. ANY RAILROAD CORPORATION, EITHER BY ITSELF OR ITS SUBSIDIARIES,
43 MAKING CONTRIBUTIONS OR INDEPENDENT EXPENDITURES SHALL, AT LEAST ANNUAL-
44 LY, DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY OF STATE AN
45 ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES USED FOR
46 SUCH PURPOSES, INCLUDING:

47 (A) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

48 (B) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

49 (C) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
50 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
51 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
52 REGULATION SUPPORTED OR OPPOSED; AND

53 (D) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
54 EXPENDITURE.

55 4. THE SECRETARY OF STATE SHALL POST EACH RAILROAD CORPORATION'S ANNU-
56 AL DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF STATE.

1 5. THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
2 TO ENFORCE THE PROVISIONS OF THIS SECTION.

3 S 6. The transportation corporations law is amended by adding a new
4 section 7 to read as follows:

5 S 7. POLITICAL CONTRIBUTIONS. (A) DEFINITIONS. WHEN USED IN THIS
6 SECTION:

7 (1) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
8 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
9 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
10 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
11 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
12 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
13 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
14 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
15 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
16 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
17 REGULATION;

18 (2) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
19 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
20 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
21 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
22 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
23 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
24 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
25 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
26 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
27 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
28 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
29 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
30 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
31 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
32 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
33 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
34 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
35 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
36 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
37 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

38 (B) NOTWITHSTANDING ANY OTHER LIMITS ON TRANSPORTATION CORPORATION
39 CONTRIBUTIONS TO, OR EXPENDITURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR
40 PARTY OFFICE, POLITICAL COMMITTEES, PARTY COMMITTEES OR BALLOT REFEREN-
41 DUM, BEFORE A TRANSPORTATION CORPORATION OR ANY OF ITS SUBSIDIARIES MAY
42 MAKE A CONTRIBUTION OR INDEPENDENT EXPENDITURE, THE TRANSPORTATION
43 CORPORATION SHALL, AT LEAST ANNUALLY, OBTAIN THE PRIOR AUTHORIZATION BY
44 VOTE OF A MAJORITY OF THE SHARES CAST ON SUCH RESOLUTION TO MAKE
45 CONTRIBUTIONS OR INDEPENDENT EXPENDITURES UP TO A STATED AGGREGATE ANNU-
46 AL AMOUNT.

47 (C) ANY TRANSPORTATION CORPORATION, EITHER BY ITSELF OR ITS SUBSID-
48 IARIES, MAKING CONTRIBUTIONS OR INDEPENDENT EXPENDITURES SHALL AT LEAST
49 ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY OF
50 STATE AN ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES
51 USED FOR SUCH PURPOSES, INCLUDING:

52 (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

53 (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

54 (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
55 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-

1 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
2 REGULATION SUPPORTED OR OPPOSED; AND

3 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
4 EXPENDITURE.

5 (D) THE SECRETARY OF STATE SHALL POST EACH TRANSPORTATION CORPO-
6 RATION'S ANNUAL DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF
7 STATE.

8 (E) THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
9 TO ENFORCE THE PROVISIONS OF THIS SECTION.

10 S 7. The banking law is amended by adding a new section 5017 to read
11 as follows:

12 S 5017. POLITICAL CONTRIBUTIONS. 1. DEFINITIONS. WHEN USED IN THIS
13 SECTION:

14 (A) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
15 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
16 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
17 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
18 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
19 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
20 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
21 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
22 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
23 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
24 REGULATION;

25 (B) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
26 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
27 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
28 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
29 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
30 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
31 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
32 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
33 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
34 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
35 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
36 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
37 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
38 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
39 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
40 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
41 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
42 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
43 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
44 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

45 2. NOTWITHSTANDING ANY OTHER LIMITS ON CORPORATION CONTRIBUTIONS TO OR
46 EXPENDITURES ON BEHALF OF POLITICAL CANDIDATES, POLITICAL COMMITTEES,
47 PARTY COMMITTEES, OR BALLOT REFERENDUMS, BEFORE A CORPORATION MAY MAKE A
48 CONTRIBUTION OR INDEPENDENT EXPENDITURE, THE CORPORATION SHALL AT LEAST
49 ANNUALLY OBTAIN THE PRIOR AUTHORIZATION BY VOTE OF A MAJORITY OF THE
50 SHARES OR MEMBERS CAST ON SUCH RESOLUTION TO MAKE CONTRIBUTIONS OR INDE-
51 PENDENT EXPENDITURES, UP TO A STATED AGGREGATE ANNUAL AMOUNT.

52 3. ANY CORPORATION, EITHER BY ITSELF OR ITS SUBSIDIARIES, MAKING A
53 CONTRIBUTION OR INDEPENDENT EXPENDITURE SHALL, AT LEAST ANNUALLY,
54 DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY OF STATE AN
55 ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES USED FOR
56 SUCH PURPOSES, INCLUDING:

1 (A) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

2 (B) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

3 (C) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
4 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
5 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
6 REGULATION SUPPORTED OR OPPOSED; AND

7 (D) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
8 EXPENDITURE.

9 4. THE SECRETARY OF STATE SHALL POST EACH CORPORATION'S ANNUAL DISCLO-
10 SURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF STATE.

11 5. THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
12 TO ENFORCE THE PROVISIONS OF THIS SECTION.

13 S 8. The business corporation law is amended by adding a new section
14 1321 to read as follows:

15 S 1321. POLITICAL CONTRIBUTIONS.

16 (A) DEFINITIONS. WHEN USED IN THIS SECTION:

17 (1) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
18 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
19 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
20 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
21 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
22 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
23 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
24 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
25 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
26 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
27 REGULATION;

28 (2) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
29 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
30 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
31 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
32 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
33 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
34 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
35 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
36 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
37 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
38 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
39 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
40 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
41 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
42 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
43 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
44 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
45 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
46 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
47 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

48 (B) NOTWITHSTANDING ANY OTHER LIMITS ON CORPORATE CONTRIBUTIONS TO, OR
49 EXPENDITURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR PARTY OFFICE, POLI-
50 TICAL COMMITTEES, PARTY COMMITTEES OR BALLOT REFERENDUM, BEFORE A
51 FOREIGN CORPORATION DOING BUSINESS IN THE STATE IN ACCORDANCE WITH
52 SECTION THIRTEEN HUNDRED ONE OF THIS ARTICLE MAY MAKE A CONTRIBUTION OR
53 INDEPENDENT EXPENDITURE IN NEW YORK, THE FOREIGN CORPORATION SHALL, AT
54 LEAST ANNUALLY, OBTAIN THE PRIOR AUTHORIZATION BY VOTE OF A MAJORITY OF
55 THE SHARES CAST ON SUCH RESOLUTION TO MAKE CONTRIBUTIONS OR INDEPENDENT
56 EXPENDITURES UP TO A STATED AGGREGATE ANNUAL AMOUNT.

1 (C) ANY FOREIGN CORPORATION, EITHER BY ITSELF OR ITS SUBSIDIARIES,
2 MAKING A CONTRIBUTION OR INDEPENDENT EXPENDITURE IN NEW YORK SHALL AT
3 LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY
4 OF STATE AN ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES
5 USED FOR SUCH PURPOSES, INCLUDING:

6 (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

7 (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

8 (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
9 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
10 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
11 REGULATION SUPPORTED OR OPPOSED; AND

12 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
13 EXPENDITURE.

14 (D) THE SECRETARY OF STATE SHALL POST EACH FOREIGN CORPORATION'S ANNU-
15 AL DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF STATE.

16 (E) THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
17 TO ENFORCE THE PROVISIONS OF THIS SECTION.

18 S 9. The limited liability company law is amended by adding a new
19 section 510 to read as follows:

20 S 510. POLITICAL CONTRIBUTIONS. (A) DEFINITIONS. WHEN USED IN THIS
21 SECTION:

22 (1) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
23 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
24 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
25 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
26 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
27 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
28 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
29 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
30 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
31 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
32 REGULATION;

33 (2) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
34 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
35 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
36 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
37 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
38 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
39 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
40 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
41 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
42 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
43 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
44 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
45 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
46 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
47 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
48 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
49 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
50 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
51 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
52 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

53 (B) NOTWITHSTANDING ANY OTHER LIMITS ON CONTRIBUTIONS TO, OR EXPENDI-
54 TURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR PARTY OFFICE, POLITICAL
55 COMMITTEES, PARTY COMMITTEES OR BALLOT REFERENDUM, BEFORE A LIMITED
56 LIABILITY COMPANY MAY MAKE A CONTRIBUTION OR INDEPENDENT EXPENDITURE,

1 THE LIMITED LIABILITY COMPANY SHALL, AT LEAST ANNUALLY, OBTAIN THE PRIOR
2 AUTHORIZATION BY VOTE OF A MAJORITY OF THE MEMBERS OR MANAGERS CAST ON
3 SUCH RESOLUTION TO MAKE CONTRIBUTIONS OR INDEPENDENT EXPENDITURES UP TO
4 A STATED AGGREGATE ANNUAL AMOUNT.

5 (C) ANY LIMITED LIABILITY COMPANY, EITHER BY ITSELF OR ITS SUBSID-
6 IARIES, MAKING A CONTRIBUTION OR INDEPENDENT EXPENDITURE SHALL AT LEAST
7 ANNUALLY DISCLOSE TO ITS MEMBERS OR MANAGERS AND FILE WITH THE SECRETARY
8 OF STATE AN ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES
9 USED FOR SUCH PURPOSES, INCLUDING:

10 (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

11 (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

12 (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
13 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
14 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
15 REGULATION SUPPORTED OR OPPOSED; AND

16 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
17 EXPENDITURE.

18 (D) THE SECRETARY OF STATE SHALL POST EACH LIMITED LIABILITY COMPANY'S
19 ANNUAL DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF STATE.

20 (E) THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
21 TO ENFORCE THE PROVISIONS OF THIS SECTION.

22 S 10. The business corporation law is amended by adding a new section
23 1517 to read as follows:

24 S 1517. POLITICAL CONTRIBUTIONS.

25 (A) DEFINITIONS. WHEN USED IN THIS SECTION:

26 (1) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
27 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
28 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
29 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
30 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
31 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
32 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
33 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
34 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
35 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
36 REGULATION;

37 (2) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
38 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
39 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
40 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
41 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
42 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
43 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
44 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
45 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
46 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
47 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
48 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
49 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
50 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
51 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
52 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
53 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
54 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
55 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
56 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

1 (B) NOTWITHSTANDING ANY OTHER LIMITS ON PROFESSIONAL SERVICE CORPO-
 2 RATION CONTRIBUTIONS TO, OR EXPENDITURES ON BEHALF OF, CANDIDATES FOR
 3 PUBLIC OR PARTY OFFICE, POLITICAL COMMITTEES, PARTY COMMITTEES OR BALLOT
 4 REFERENDUM, BEFORE A PROFESSIONAL SERVICE CORPORATION MAY MAKE A
 5 CONTRIBUTION OR INDEPENDENT EXPENDITURE, THE PROFESSIONAL SERVICE CORPO-
 6 RATION SHALL, AT LEAST ANNUALLY, OBTAIN THE PRIOR AUTHORIZATION BY VOTE
 7 OF A MAJORITY OF THE SHARES CAST ON SUCH RESOLUTION TO MAKE CONTRIB-
 8 UTIONS OR INDEPENDENT EXPENDITURES UP TO A STATED AGGREGATE ANNUAL
 9 AMOUNT.

10 (C) ANY PROFESSIONAL SERVICE CORPORATION, EITHER BY ITSELF OR ITS
 11 SUBSIDIARIES, MAKING A CONTRIBUTION OR INDEPENDENT EXPENDITURE SHALL AT
 12 LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY
 13 OF STATE AN ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES
 14 USED FOR SUCH PURPOSES, INCLUDING:

15 (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

16 (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

17 (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
 18 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
 19 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
 20 REGULATION SUPPORTED OR OPPOSED; AND

21 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
 22 EXPENDITURE.

23 (D) THE SECRETARY OF STATE SHALL POST EACH PROFESSIONAL SERVICE CORPO-
 24 RATION'S ANNUAL DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF
 25 STATE.

26 (E) THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
 27 TO ENFORCE THE PROVISIONS OF THIS SECTION.

28 S 11. The business corporation law is amended by adding a new section
 29 1534 to read as follows:

30 S 1534. POLITICAL CONTRIBUTIONS.

31 (A) DEFINITIONS. WHEN USED IN THIS SECTION:

32 (1) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
 33 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
 34 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
 35 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
 36 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
 37 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
 38 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
 39 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
 40 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
 41 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
 42 REGULATION;

43 (2) THE TERM "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A
 44 PERSON FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE
 45 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
 46 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
 47 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
 48 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC
 49 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
 50 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
 51 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
 52 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
 53 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
 54 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
 55 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
 56 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-

1 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
2 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
3 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
4 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
5 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
6 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

7 (B) NOTWITHSTANDING ANY OTHER LIMITS ON FOREIGN PROFESSIONAL SERVICE
8 CORPORATION CONTRIBUTIONS TO, OR EXPENDITURES ON BEHALF OF, CANDIDATES
9 FOR PUBLIC OR PARTY OFFICE, POLITICAL COMMITTEES, PARTY COMMITTEES OR
10 BALLOT REFERENDUM, BEFORE A FOREIGN PROFESSIONAL SERVICE CORPORATION, AS
11 DEFINED BY SUBDIVISION (D) OF SECTION FIFTEEN HUNDRED TWENTY-FIVE OF
12 THIS ARTICLE, MAY MAKE A CONTRIBUTION OR INDEPENDENT EXPENDITURE IN NEW
13 YORK, THE FOREIGN PROFESSIONAL SERVICE CORPORATION SHALL, AT LEAST ANNU-
14 ALLY, OBTAIN THE PRIOR AUTHORIZATION BY VOTE OF A MAJORITY OF THE SHARES
15 CAST ON SUCH RESOLUTION TO MAKE CONTRIBUTIONS OR INDEPENDENT EXPENDI-
16 TURES UP TO A STATED AGGREGATE ANNUAL AMOUNT.

17 (C) ANY FOREIGN PROFESSIONAL SERVICE CORPORATION, EITHER BY ITSELF OR
18 ITS SUBSIDIARIES, MAKING A CONTRIBUTION OR INDEPENDENT EXPENDITURE IN
19 NEW YORK SHALL AT LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE
20 WITH THE SECRETARY OF STATE AN ACCOUNTING OF THE CONTRIBUTIONS AND INDE-
21 PENDENT EXPENDITURES USED FOR SUCH PURPOSES, INCLUDING:

22 (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

23 (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

24 (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
25 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
26 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
27 REGULATION SUPPORTED OR OPPOSED; AND

28 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
29 EXPENDITURE.

30 (D) THE SECRETARY OF STATE SHALL POST EACH FOREIGN PROFESSIONAL
31 SERVICE CORPORATION'S ANNUAL DISCLOSURE ON THE WEB SITE MAINTAINED BY
32 THE SECRETARY OF STATE.

33 (E) THE ATTORNEY GENERAL MAY COMMENCE AN ACTION OR SPECIAL PROCEEDING
34 TO ENFORCE THE PROVISIONS OF THIS SECTION.

35 S 12. Severability. If any clause, sentence, paragraph, section or
36 part of this act shall be adjudged by any court of competent jurisdic-
37 tion to be invalid and after exhaustion of all further judicial review,
38 the judgment shall not affect, impair or invalidate the remainder there-
39 of, but shall be confined in its operation to the clause, sentence,
40 paragraph, section or part of this act directly involved in the contro-
41 versy in which the judgment shall have been rendered.

42 S 13. This act shall take effect on the first of August next succeed-
43 ing the date on which it shall have become a law.