

9029

2009-2010 Regular Sessions

I N A S S E M B L Y

June 19, 2009

Introduced by M. of A. MILLMAN, SILVER -- read once and referred to the Committee on Ways and Means

AN ACT to amend the retirement and social security law, in relation to making technical corrections relating to the investment advisory committee and the mortgage advisory committee (Part A); to amend the executive law, in relation to prohibiting the use of placement agents by managers doing business with the common retirement fund (Part B); to amend the executive law, in relation to the adoption of a code of conduct by the state comptroller (Part C); to amend the election law, in relation to enacting the "State Comptroller Campaign Finance Reform Act"; to amend the election law, the state finance law and the tax law, in relation to providing for optional partial public financing of certain election campaigns in this state; and to amend the election law, in relation to identification of the source of certain political communications (Part D); to amend the executive law, in relation to authorizing the state comptroller to establish a timeframe and frequency for reporting information relating to transactions of the common retirement fund (Part E); to amend the retirement and social security law, in relation to the establishment of the variable interest rate bond liquidity and monoline insurer investment program; to amend the retirement and social security law, in relation to the investment of moneys in in-state private equities; and to amend the retirement and social security law, in relation to the investment of moneys in real assets (Part F); and to amend the executive law, in relation to creating a fair fund program for the collection of civil penalties assessed upon perpetrators of frauds against the common retirement fund (Part G)

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

1 Section 1. This act shall be known and may be cited as the "New York
2 state common retirement fund reformation act".

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

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1 S 2. This act enacts into law major components of legislation which
2 are necessary to implement the New York state common retirement fund
3 reformation act. Each component is wholly contained within a Part iden-
4 tified as Parts A through G. The effective date for each particular
5 provision contained within such Part is set forth in the last section of
6 such Part. Any provision in any section contained within a Part, includ-
7 ing the effective date of the Part, which makes reference to a section
8 "of this act", when used in connection with that particular competent,
9 shall be deemed to mean and refer to the corresponding section of the
10 Part in which it is found. Section four of this act sets forth the
11 general effective date of this act.

12 PART A

13 Section 1. Subdivision b and the first undesignated paragraph of
14 section 423 of the retirement and social security law, as amended by
15 chapter 770 of the laws of 1970, are amended to read as follows:

16 b. To assist in the management of the monies of the common retirement
17 fund, the comptroller shall appoint an investment advisory committee
18 consisting of not less than seven members who shall serve for his OR HER
19 term of office. A vacancy occurring from any cause other than expiration
20 of term shall be filled by the comptroller for the remainder of the
21 term. Each member of the committee shall be experienced in the field of
22 investments and shall have served, or shall be serving, as a senior
23 officer or member of the board of an insurance company, banking corpo-
24 ration or other financial or investment organization authorized to do
25 business in the state of New York. The committee shall advise the comp-
26 troller on investment policies relating to the monies of the common
27 retirement fund and shall review, from time to time, the investment
28 portfolio of the fund and make such recommendations as may be deemed
29 necessary. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, INDIVIDUALS
30 APPOINTED TO THE INVESTMENT ADVISORY COMMITTEE SHALL BE ELIGIBLE FOR
31 DEFENSE AND INDEMNIFICATION IN ACCORDANCE WITH SECTION SEVENTEEN OF THE
32 PUBLIC OFFICERS LAW.

33 The comptroller shall appoint a separate [mortgage] REAL ESTATE advi-
34 sory committee, with the advice and consent of the investment advisory
35 committee, to review proposed [mortgage and] real estate AND MORTGAGE
36 investments by the common retirement fund. In making investments, as
37 authorized by law, the comptroller shall be guided by policies estab-
38 lished by each committee from time to time; and, in the event the [mort-
39 gage] REAL ESTATE advisory committee disapproves a proposed [mortgage
40 or] real estate investment, such INVESTMENT shall not be made. NOTWITH-
41 STANDING ANY OTHER PROVISION OF LAW, INDIVIDUALS APPOINTED TO THE REAL
42 ESTATE ADVISORY COMMITTEE SHALL BE ELIGIBLE FOR DEFENSE AND INDEMNIFICA-
43 TION IN ACCORDANCE WITH SECTION SEVENTEEN OF THE PUBLIC OFFICERS LAW.

44 S 2. This act shall take effect immediately and shall apply to all
45 claims, actions and proceedings pending on or commenced on or after such
46 effective date.

47 PART B

48 Section 1. The executive law is amended by adding a new section 41-b
49 to read as follows:

50 S 41-B. USE OF PLACEMENT AGENTS OR INTERMEDIARIES PROHIBITED. 1. IN
51 ORDER TO PRESERVE THE INDEPENDENCE AND INTEGRITY OF THE COMMON RETIRE-
52 MENT FUND AND TO PRECLUDE POTENTIAL CONFLICTS OF INTEREST, NO EMPLOYEE

1 OF THE COMMON RETIREMENT FUND SHALL KNOWINGLY AND WILLFULLY MAKE ANY
2 COMMITMENT OF THE ASSETS OR RESOURCES OF SUCH FUND TO ANY INVESTMENT
3 MANAGER IF SUCH INVESTMENT MANAGER HAS ENGAGED, HIRED, UTILIZED OR
4 RETAINED FOR COMPENSATION A PLACEMENT AGENT OR INTERMEDIARY FOR THE
5 PURPOSE OF SECURING OR INFLUENCING THE DECISION TO SECURE A PARTICULAR
6 TRANSACTION OR INVESTMENT BY SUCH FUND.

7 2. FOR THE PURPOSES OF THIS SECTION:

8 (A) "INVESTMENT MANAGER" SHALL MEAN ANY PERSON, OTHER THAN AN EMPLOYEE
9 OF THE STATE COMPTROLLER, OR ENTITY ENGAGED BY THE COMMON RETIREMENT
10 FUND IN THE MANAGEMENT OF PART OR ALL OF AN INVESTMENT PORTFOLIO OF THE
11 FUND. "MANAGEMENT" SHALL INCLUDE, BUT IS NOT LIMITED TO, ANALYSIS OF
12 PORTFOLIO HOLDINGS, AND THE PURCHASE, SALE, AND LENDING THEREOF.

13 (B) "PLACEMENT AGENT OR INTERMEDIARY" SHALL MEAN ANY PERSON OR ENTITY,
14 INCLUDING A REGISTERED LOBBYIST, THAT IS DIRECTLY OR INDIRECTLY, FOR
15 COMPENSATION, WHETHER UPON A FIXED, CONTINGENT OR ANY OTHER BASIS,
16 HIRED, ENGAGED, UTILIZED OR RETAINED FOR FACILITATING THE PLACEMENT OF
17 AN INVESTMENT WITH THE INVESTMENT MANAGER. A PLACEMENT AGENT OR INTERME-
18 DIARY DOES NOT INCLUDE A REGULAR EMPLOYEE OF THE INVESTMENT MANAGER.

19 S 2. This act shall take effect immediately; provided, however, that
20 the provisions of section 41-b of the executive law, as added by section
21 one of this act shall apply to agreements between the common retirement
22 fund and investment managers entered into on and after such date.

23

PART C

24 Section 1. The executive law is amended by adding a new section 41-c
25 to read as follows:

26 S 41-C. CODE OF CONDUCT. 1. FOR PURPOSES OF MAINTAINING THE INTEGRITY
27 OF THE NEW YORK STATE AND LOCAL EMPLOYEES' RETIREMENT SYSTEM AND OF THE
28 NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM, THE STATE
29 COMPTROLLER SHALL, WITHIN HIS OR HER DISCRETION, ADOPT A CODE OF
30 CONDUCT. SUCH CODE OF CONDUCT SHALL ESTABLISH STANDARDS OF CONDUCT FOR
31 THE MANAGEMENT OF SUCH SYSTEMS AND SHALL APPLY TO THE CONDUCT OF BUSI-
32 NESS OF SUCH SYSTEMS BY THE STATE COMPTROLLER AS THE SOLE TRUSTEE OF THE
33 NEW YORK STATE COMMON RETIREMENT FUND AND AS THE ADMINISTRATIVE HEAD OF
34 SUCH SYSTEMS, BY THE OFFICERS AND EMPLOYEES OF THE OFFICE OF STATE COMP-
35 TROLLER WITH RESPONSIBILITY FOR MATTERS RELATING TO SUCH SYSTEMS OR
36 FUND, BY THE ADVISORS, CONSULTANTS AND INVESTMENT MANAGERS ENGAGED BY
37 THE NEW YORK STATE COMMON RETIREMENT FUND AND BY THE MEMBERS OF ADVISORY
38 COMMITTEES TO THE STATE COMPTROLLER.

39 2. SUCH CODE OF CONDUCT SHALL BE DESIGNED TO ENSURE THAT THE NEW YORK
40 STATE AND LOCAL EMPLOYEES' RETIREMENT SYSTEM AND THE NEW YORK STATE AND
41 LOCAL POLICE AND FIRE RETIREMENT SYSTEM AND THE NEW YORK STATE COMMON
42 RETIREMENT FUND SHALL ADHERE TO AND BE MANAGED IN ACCORDANCE WITH THE
43 CARE, SKILL, PRUDENCE AND DILIGENCE UNDER THE CIRCUMSTANCES THEN
44 PREVAILING THAT A PRUDENT PERSON ACTING IN A LIKE CAPACITY AND FAMILIAR
45 WITH SUCH MATTERS WOULD USE IN THE CONDUCT OF AN ENTERPRISE OF A LIKE
46 CHARACTER AND WITH LIKE AIMS AND THAT ACTIONS ON BEHALF OF SUCH SYSTEMS
47 AND FUND SHALL BE FOR THE EXCLUSIVE BENEFIT OF THE MEMBERS, RETIREES AND
48 BENEFICIARIES OF SUCH SYSTEMS.

49 3. SUCH CODE OF CONDUCT MAY INCLUDE, BUT NEED NOT BE LIMITED TO, FIDU-
50 CIARY DUTIES OF THE STATE COMPTROLLER; THE REQUIREMENT OF AN INVESTMENT
51 POLICY STATEMENT FOR THE NEW YORK STATE COMMON RETIREMENT FUND; DUTIES
52 OF THE ADVISORY COUNCIL AND COMMITTEES INCLUDING, BUT NOT LIMITED TO,
53 THE INVESTMENT COMMITTEE, REAL ESTATE ADVISORY COMMITTEES, THE AUDIT
54 COMMITTEE AND THE ACTUARIAL COMMITTEE; FIDUCIARY DUTIES OF EMPLOYEES OF

1 THE OFFICE OF STATE COMPTROLLER WHO HAVE RESPONSIBILITY FOR MATTERS
2 RELATING TO THE NEW YORK STATE AND LOCAL EMPLOYEES' RETIREMENT SYSTEM,
3 THE NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM AND THE
4 NEW YORK STATE COMMON RETIREMENT FUND INCLUDING, BUT NOT LIMITED TO,
5 FIDUCIARY AND ETHICS TRAINING AND COMPLIANCE WITH THE PROVISIONS OF THE
6 PUBLIC OFFICERS LAW; POLICIES TO PREVENT THE MISUSE OF MATERIAL AND
7 CONFIDENTIAL INFORMATION BY OFFICERS, AND EMPLOYEES; GUIDELINES FOR
8 INTERNAL AUDITS OF SUCH SYSTEMS AND FUND; FIDUCIARY DUTIES AND CONFLICT
9 OF INTEREST DISCLOSURE POLICIES FOR INVESTMENT MANAGERS, CONSULTANTS AND
10 ADVISORS TO SUCH FUND; GUIDELINES FOR THE PROCUREMENT OF SERVICES OF
11 INVESTMENT MANAGERS, CONSULTANTS AND ADVISORS; GUIDELINES FOR THE AUDIT
12 OF FEES BY THE SUPERINTENDENT OF THE DEPARTMENT OF INSURANCE; GUIDELINES
13 FOR THE INVESTIGATION OF COMPLAINTS OF ABUSE WITHIN SUCH SYSTEMS OR
14 FUND, GUIDELINES FOR THE MAINTENANCE OF ALL BOOKS AND RECORDS OF SUCH
15 SYSTEMS AND FUND; GUIDELINES FOR AN ANNUAL AUDIT OF SUCH SYSTEMS AND
16 FUND; AND GUIDELINES FOR THE PUBLICATION OF INFORMATION RELATED TO SUCH
17 SYSTEMS AND FUND INCLUDING, BUT NOT LIMITED TO, FUND PERFORMANCE AND
18 TRANSACTIONS.

19 S 2. This act shall take effect immediately.

20

PART D

21 Section 1. Short title. This act shall be known and may be cited as
22 the "State Comptroller Campaign Finance Reform Act".

23 S 2. Legislative findings and declaration. The legislature is commit-
24 ted to reforming New York's campaign finance system and bolstering
25 public confidence in the democratic process. Whether or not a system of
26 large campaign contributions creates actual unfair influence, the
27 appearance and perception of such influence gives rise to distrust in
28 government and citizen apathy that could undermine the democratic poli-
29 tical process.

30 The legislature finds that the high cost of running a campaign for
31 statewide office in New York discourages qualified candidates from
32 running and inevitably forces candidates to spend too much time raising
33 money rather than attending to official duties and concentrating on the
34 issues that do concern and should concern voters. Addressing such
35 concerns in the context of the election to the office of state comp-
36 troller is an appropriate place to start in reforming New York's system
37 of campaign finance; the state comptroller campaign finance reform act
38 is a first step.

39 Therefore, the legislature finds that limiting campaign contributions
40 to a level that is sufficient to permit candidates to raise money to run
41 an effective, statewide campaign as title II of article 14 of the
42 election law requires, furthers the state's legitimate interest in
43 reducing real and perceived unjust influence on government. Such title's
44 program of voluntary expenditure caps combined with public financing and
45 a minimal threshold for participation in the program, furthers the
46 state's interest in encouraging qualified candidates to run for office
47 regardless of their access to substantial wealth, thus increasing public
48 debate and participation in the democratic process. The legislature also
49 believes that such title's voluntary spending caps ensure a level play-
50 ing field for all candidates who participate.

51 Thus, the legislature enacts the state comptroller campaign finance
52 reform act with the express purpose of furthering all of these state
53 interests which, if strengthened, will only make the election process
54 more open and fair and, ultimately, more democratic.

1 S 3. The article heading of article 14 of the election law is amended
2 to read as follows:

3 CAMPAIGN RECEIPTS AND EXPENDITURES; PUBLIC FINANCING

4 S 4. Section 14-100 of the election law is amended by adding three new
5 subdivisions 12, 13, and 14 to read as follows:

6 12. "CLEARLY IDENTIFIED CANDIDATE" MEANS THAT:

7 (A) THE NAME OF THE CANDIDATE INVOLVED APPEARS;

8 (B) A PHOTOGRAPH OR DRAWING OF THE CANDIDATE APPEARS; OR

9 (C) THE IDENTITY OF THE CANDIDATE IS APPARENT BY UNAMBIGUOUS REFER-
10 ENCE.

11 13. "GENERAL PUBLIC AUDIENCE" MEANS AN AUDIENCE COMPOSED OF MEMBERS OF
12 THE PUBLIC, INCLUDING A TARGETED SUBGROUP OF MEMBERS OF THE PUBLIC;
13 PROVIDED, HOWEVER, IT DOES NOT MEAN AN AUDIENCE SOLELY COMPRISED OF
14 MEMBERS, RETIREES AND STAFF OF A LABOR ORGANIZATION OR THEIR IMMEDIATE
15 FAMILY MEMBERS OR AN AUDIENCE SOLELY COMPRISED OF EMPLOYEES OF A BUSI-
16 NESS ENTITY.

17 14. "LABOR ORGANIZATION" MEANS ANY ORGANIZATION OF ANY KIND WHICH
18 EXISTS FOR THE PURPOSE, IN WHOLE OR IN PART, OF REPRESENTING EMPLOYEES
19 EMPLOYED WITHIN THE STATE OF NEW YORK IN DEALING WITH EMPLOYERS OR
20 EMPLOYER ORGANIZATIONS OR WITH A STATE GOVERNMENT, OR ANY POLITICAL OR
21 CIVIL SUBDIVISION OR OTHER AGENCY THEREOF, CONCERNING TERMS AND CONDI-
22 TIONS OF EMPLOYMENT, GRIEVANCES, LABOR DISPUTES, OR OTHER MATTERS INCI-
23 DENTAL TO THE EMPLOYMENT RELATIONSHIP. FOR THE PURPOSES OF THIS ARTI-
24 CLE, EACH LOCAL, PARENT NATIONAL OR PARENT INTERNATIONAL ORGANIZATION OF
25 A STATEWIDE LABOR ORGANIZATION, AND EACH STATEWIDE FEDERATION RECEIVING
26 DUES FROM SUBSIDIARY LABOR ORGANIZATIONS, SHALL BE CONSIDERED A SEPARATE
27 LABOR ORGANIZATION.

28 S 5. Section 14-106 of the election law, as amended by chapter 8 of
29 the laws of 1978, is amended to read as follows:

30 S 14-106. Political [advertisements and literature] COMMUNICATION.
31 The statements required to be filed under the provisions of this article
32 next succeeding a primary, general or special election shall be accompa-
33 nied by a [facsimile or] copy of all BROADCAST, CABLE OR SATELLITE SCHE-
34 DULES AND SCRIPTS, advertisements, pamphlets, circulars, flyers,
35 brochures, letterheads and other printed matter purchased or produced
36 [and a schedule of all radio or television time, and scripts used there-
37 in], AND REPRODUCTIONS OF STATEMENTS OR INFORMATION CONVEYED TO FIVE
38 HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC AUDIENCE BY COMPUTER OR
39 OTHER ELECTRONIC DEVICE, purchased in connection with such election by
40 or under the authority of the person filing the statement or the commit-
41 tee or the person on whose behalf it is filed, as the case may be. Such
42 [facsimiles,] copies, schedules and scripts shall be preserved by the
43 officer with whom or the board with which it is required to be filed for
44 a period of one year from the date of filing thereof.

45 S 5-a. The election law is amended by adding a new section 14-107 to
46 read as follows:

47 S 14-107. INDEPENDENT EXPENDITURE REPORTING. 1. FOR PURPOSES OF THIS
48 ARTICLE:

49 (A) "INDEPENDENT EXPENDITURE" MEANS AN EXPENDITURE MADE BY A PERSON
50 FOR AN AUDIO OR VIDEO COMMUNICATION TO A GENERAL PUBLIC AUDIENCE VIA
51 BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENERAL
52 PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,
53 BROCHURES, LETTERHEADS OR OTHER PRINTED MATTER AND STATEMENTS OR INFOR-
54 MATION CONVEYED TO FIVE HUNDRED OR MORE MEMBERS OF A GENERAL PUBLIC

1 AUDIENCE BY COMPUTER OR OTHER ELECTRONIC DEVICES WHICH: (I) EXPRESSLY
2 ADVOCATES THE ELECTION OR DEFEAT OF A CLEARLY IDENTIFIED CANDIDATE OR
3 THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL AND (II) SUCH CANDIDATE, THE
4 CANDIDATE'S POLITICAL COMMITTEE OR ITS AGENTS, OR A POLITICAL COMMITTEE
5 FORMED TO PROMOTE THE SUCCESS OR DEFEAT OF A BALLOT PROPOSAL OR ITS
6 AGENTS, DID NOT AUTHORIZE, REQUEST, SUGGEST, FOSTER OR COOPERATE IN ANY
7 SUCH COMMUNICATION.

8 (B) INDEPENDENT EXPENDITURES DO NOT INCLUDE:

9 (I) A COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR
10 EDITORIAL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING
11 STATION, CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE
12 OWNED OR CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR
13 CANDIDATE; OR

14 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR

15 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN
16 ENTITY REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

17 (C) FOR PURPOSES OF THIS SECTION, THE TERM "PERSON" SHALL MEAN PERSON,
18 GROUP OF PERSONS, ENTITY, ORGANIZATION OR ASSOCIATION.

19 2. WHENEVER ANY PERSON MAKES AN INDEPENDENT EXPENDITURE THAT COSTS
20 MORE THAN ONE THOUSAND DOLLARS IN THE AGGREGATE, SUCH COMMUNICATION
21 SHALL CLEARLY STATE THE NAME OF THE PERSON WHO PAID FOR, OR OTHERWISE
22 PUBLISHED OR DISTRIBUTED, THE COMMUNICATION AND STATE, WITH RESPECT TO
23 COMMUNICATIONS REGARDING CANDIDATES, THAT THE COMMUNICATION IS NOT
24 AUTHORIZED BY ANY CANDIDATE, ANY CANDIDATE'S POLITICAL COMMITTEE OR ANY
25 OF ITS AGENTS. A KNOWING AND WILLFUL VIOLATION OF THE PROVISIONS OF
26 THIS SUBDIVISION SHALL SUBJECT THE PERSON TO A CIVIL PENALTY EQUAL TO
27 ONE THOUSAND DOLLARS OR THE COST OF THE COMMUNICATION, WHICHEVER IS
28 GREATER, IN A SPECIAL PROCEEDING OR CIVIL ACTION BROUGHT BY THE STATE
29 BOARD OF ELECTIONS.

30 3. (A) ANY PERSON WHICH MAKES INDEPENDENT EXPENDITURES THAT COST MORE
31 THAN ONE THOUSAND DOLLARS IN THE AGGREGATE SHALL REPORT SUCH INDEPENDENT
32 EXPENDITURES TO THE STATE BOARD OF ELECTIONS ON STATEMENTS AS PROVIDED
33 FOR IN SECTION 14-108 OF THIS ARTICLE.

34 (B) ANY INDEPENDENT EXPENDITURE MADE AFTER THE CLOSE OF THE PERIOD TO
35 BE COVERED IN THE LAST STATEMENT FILED BEFORE ANY PRIMARY OR GENERAL
36 ELECTION, BUT BEFORE SUCH ELECTION, SHALL BE REPORTED WITHIN TWENTY-FOUR
37 HOURS IN THE SAME MANNER AS PROVIDED FOR IN SUBDIVISION TWO OF SECTION
38 14-108 OF THIS ARTICLE.

39 4. EACH SUCH STATEMENT SHALL INCLUDE:

40 (A) THE NAME AND ADDRESS OF THE PERSON MAKING THE STATEMENT;

41 (B) THE NAME AND ADDRESS OF THE PERSON MAKING THE INDEPENDENT EXPENDI-
42 TURE;

43 (C) THE NAME AND ADDRESS OF ANY PERSON OR ENTITY PROVIDING A GIFT,
44 LOAN, ADVANCE OR DEPOSIT OF ONE HUNDRED DOLLARS OR MORE FOR THE INDE-
45 PENDENT EXPENDITURE, OR THE PROVISION OF SERVICES FOR THE SAME, AND THE
46 DATE IT WAS GIVEN; PROVIDED, HOWEVER, THE NAME AND ADDRESS OF A MEMBER
47 OF A LABOR ORGANIZATION IS NOT REQUIRED FOR A GIFT, LOAN, ADVANCE OR
48 DEPOSIT OF ONE HUNDRED DOLLARS OR MORE TO A LABOR ORGANIZATION OR A
49 LABOR ORGANIZATION POLITICAL ACTION COMMITTEE;

50 (D) THE DOLLAR AMOUNT PAID FOR EACH INDEPENDENT EXPENDITURE, THE NAME
51 AND ADDRESS OF THE PERSON OR ENTITY RECEIVING THE PAYMENT, THE DATE THE
52 PAYMENT WAS MADE AND A DESCRIPTION OF THE INDEPENDENT EXPENDITURE; AND

53 (E) THE ELECTION TO WHICH THE INDEPENDENT EXPENDITURE PERTAINS AND THE
54 NAME OF THE CLEARLY IDENTIFIED CANDIDATE OR THE BALLOT PROPOSAL REFER-
55 ENCED.

1 5. ANY REPORT MADE PURSUANT TO THIS SECTION SHALL INCLUDE A COPY OF
2 ALL MATERIALS THAT PERTAIN TO THE INDEPENDENT EXPENDITURE, INCLUDING BUT
3 NOT LIMITED TO BROADCAST, CABLE OR SATELLITE SCHEDULE AND SCRIPTS,
4 ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS, BROCHURES, LETTERHEADS AND
5 OTHER PRINTED MATTER.

6 6. ANY REPORT OF A LOAN THAT IS MADE FOR AN INDEPENDENT EXPENDITURE
7 SHALL INCLUDE WRITTEN EVIDENCE OF THE INDEBTEDNESS.

8 7. EVERY STATEMENT REQUIRED TO BE FILED PURSUANT TO THIS SECTION SHALL
9 BE FILED BY ELECTRONIC REPORTING PROCESS OR OVERNIGHT MAIL TO THE STATE
10 BOARD OF ELECTIONS.

11 8. THE STATE BOARD OF ELECTIONS SHALL PROMULGATE REGULATIONS WITH
12 RESPECT TO THE STATEMENTS REQUIRED TO BE FILED BY THIS SECTION AND SHALL
13 PROVIDE FORMS SUITABLE FOR SUCH STATEMENTS.

14 S 5-b. Section 14-112 of the election law, as amended by chapter 930
15 of the laws of 1981, is amended to read as follows:

16 S 14-112. Political committee authorization statement. 1. Any poli-
17 tical committee aiding or taking part in the election or nomination of
18 any candidate, other than by making contributions, shall file, in the
19 office in which the statements of such committee are to be filed pursu-
20 ant to this article, either a sworn verified statement by the treasurer
21 of such committee that the candidate has authorized the political
22 committee to aid or take part in his election or that the candidate has
23 not authorized the committee to aid or take part in his election.

24 2. NO LATER THAN THREE DAYS AFTER THE LAST DAY TO FILE DESIGNATING
25 PETITIONS, A CANDIDATE FOR STATE COMPTROLLER SHALL FILE A STATEMENT WITH
26 THE STATE BOARD OF ELECTIONS STATING WHETHER THE CANDIDATE HAS OR WILL
27 CONTRIBUTE PERSONAL FUNDS TO HIS OR HER AUTHORIZED COMMITTEE FOR USE IN
28 SUCH ELECTION AND AN ESTIMATE OF THE AMOUNT OF PERSONAL FUNDS CONTRIB-
29 UTED OR TO BE CONTRIBUTED. THE KNOWING AND WILLFUL FAILURE TO FILE THE
30 STATEMENT REQUIRED BY THIS SUBDIVISION SHALL SUBJECT THE CANDIDATE TO A
31 CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS IN A SPECIAL PROCEED-
32 ING OR CIVIL ACTION BROUGHT BY THE STATE BOARD OF ELECTIONS.

33 S 5-c. Section 14-126 of the election law, as amended by chapter 8 of
34 the laws of 1978, subdivision 1 as amended by chapter 128 of the laws of
35 1994, subdivisions 2, 3, and 4 as redesignated by chapter 9 of the laws
36 of 1978, is amended to read as follows:

37 S 14-126. Violations; penalties. 1. Any person who fails to file a
38 statement required to be filed by this article shall be subject to a
39 civil penalty, not in excess of five hundred dollars, to be recoverable
40 in a special proceeding or civil action to be brought by the state board
41 of elections or other board of elections.

42 2. ANY PERSON WHO KNOWINGLY AND WILLFULLY FAILS TO IDENTIFY INDEPEND-
43 ENT EXPENDITURES AS REQUIRED BY SUBDIVISION TWO OF SECTION 14-107 OR
44 KNOWINGLY AND WILLFULLY FAILS TO FILE THE STATEMENT REQUIRED BY SUBDIVI-
45 SION TWO OF SECTION 14-112 SHALL BE SUBJECT TO A CIVIL PENALTY IN A
46 SPECIAL PROCEEDING OR CIVIL ACTION BROUGHT BY THE STATE BOARD OF
47 ELECTIONS.

48 [2.] 3. Any person who knowingly and willfully fails to file a state-
49 ment required to be filed by this article within ten days after the date
50 provided for filing such statement or any person who knowingly and will-
51 fully violates any other provision of this article shall be guilty of a
52 misdemeanor.

53 [3.] 4. Any person who knowingly and willfully contributes, accepts or
54 aids or participates in the acceptance of a contribution in an amount
55 exceeding an applicable maximum specified in this article shall be guilty
56 of a misdemeanor.

1 [4.] 5. Any person who shall, acting on behalf of a candidate or poli-
2 tical committee, knowingly and willfully solicit, organize or coordinate
3 the formation of activities of one or more unauthorized committees, make
4 expenditures in connection with the nomination for election or election
5 of any candidate, or solicit any person to make any such expenditures,
6 for the purpose of evading the contribution limitations of this article,
7 shall be guilty of a class E felony.

8 S 6. Sections 14-100 through 14-130 of article 14 of the election law
9 are designated title 1 and a new title heading is added to read as
10 follows:

11 CAMPAIGN RECEIPTS AND EXPENDITURES

12 S 7. Article 14 of the election law is amended by adding a new title 2
13 to read as follows:

14 TITLE II
15 PUBLIC FINANCING

16 SECTION 14-200. DEFINITIONS.
17 14-202. ELIGIBILITY.
18 14-204. QUALIFIED CAMPAIGN EXPENDITURES.
19 14-206. OPTIONAL PUBLIC FINANCING.
20 14-208. CONTRIBUTION AND RECEIPT LIMITATIONS.
21 14-210. EXPENDITURE LIMITATIONS.
22 14-212. EXAMINATIONS AND AUDITS; REPAYMENTS.
23 14-214. CIVIL PENALTIES.

24 S 14-200. DEFINITIONS. AS USED IN THIS TITLE, UNLESS ANOTHER MEANING
25 IS CLEARLY INDICATED:

26 1. THE TERM "STATE BOARD" SHALL MEAN THE STATE BOARD OF ELECTIONS.

27 2. THE TERM "ELIGIBLE CANDIDATE" SHALL MEAN A CANDIDATE FOR NOMINATION
28 OR ELECTION TO THE OFFICE OF STATE COMPTROLLER.

29 3. THE TERM "PARTICIPATING COMMITTEE" SHALL MEAN A SINGLE POLITICAL
30 COMMITTEE WHICH A CANDIDATE CERTIFIES IS THE COMMITTEE THAT WILL SOLELY
31 BE USED TO PARTICIPATE IN THE PUBLIC FINANCING SYSTEM ESTABLISHED BY
32 THIS TITLE AFTER JANUARY FIRST OF THE YEAR IN WHICH THE PRIMARY OR
33 GENERAL ELECTION IS HELD FOR THE PUBLIC OFFICE SOUGHT. A MULTI-CANDI-
34 DATE COMMITTEE MAY NOT BE A PARTICIPATING COMMITTEE.

35 4. THE TERM "PARTICIPATING CANDIDATE" SHALL MEAN A CANDIDATE WHO IS
36 ELIGIBLE TO PARTICIPATE IN THE OPTIONAL PUBLIC FINANCING SYSTEM ESTAB-
37 LISHED BY THIS TITLE, HAS MET THE THRESHOLD FOR ELIGIBILITY AND HAS
38 ELECTED TO PARTICIPATE IN THE PUBLIC FINANCING SYSTEM.

39 5. THE TERM "MATCHABLE CONTRIBUTIONS" SHALL MEAN THAT PORTION OF THE
40 AGGREGATE CONTRIBUTIONS MADE IN THE CASE OF A PRIMARY OR GENERAL
41 ELECTION, AFTER JANUARY FIRST OF THE YEAR IN WHICH THE PRIMARY OR GENER-
42 AL ELECTION IS HELD FOR THE PUBLIC OFFICE SOUGHT BY NATURAL PERSONS
43 RESIDENT IN THE STATE OF NEW YORK TO A CANDIDATE FOR NOMINATION OR
44 ELECTION TO THE OFFICE COVERED BY THE PROVISIONS OF THIS TITLE WHICH DO
45 NOT EXCEED TWO HUNDRED FIFTY DOLLARS, WHICH HAVE BEEN REPORTED IN FULL
46 BY THE CANDIDATE'S PARTICIPATING COMMITTEE TO THE STATE BOARD, INCLUDING
47 THE CONTRIBUTOR'S FULL NAME AND RESIDENTIAL ADDRESS. "MATCHABLE CONTRIB-
48 UTIONS" SHALL BE THE NET AMOUNT OF ANY MONETARY CONTRIBUTION REALIZED BY
49 A CANDIDATE OR DESIGNATED COMMITTEE AFTER DEDUCTING THE REASONABLE VALUE
50 OF ANY GOODS OR SERVICES PROVIDED THE CONTRIBUTOR IN CONNECTION WITH THE
51 CONTRIBUTION, EXCEPT THAT CONTRIBUTIONS FROM ANY PERSON WHO HAS RECEIVED
52 A PAYMENT OR ANYTHING OF VALUE FROM SUCH COMMITTEE OR FROM A PERSON WHO
53 IS AN OFFICER, DIRECTOR OR EMPLOYEE OF, OR A PERSON WHO HAS A TEN
54 PERCENT OR GREATER OWNERSHIP INTEREST IN ANY ENTITY WHICH HAS RECEIVED

1 SUCH A PAYMENT OR THING OF VALUE SHALL NOT BE MATCHABLE. A LOAN MAY NOT
2 BE TREATED AS A MATCHABLE CONTRIBUTION.

3 6. THE TERM "QUALIFIED CAMPAIGN EXPENDITURE" SHALL MEAN AN EXPENDITURE
4 FOR WHICH PUBLIC FUNDS MAY BE USED.

5 7. THE TERM "FUND" SHALL MEAN THE NEW YORK STATE CAMPAIGN FINANCE
6 FUND.

7 8. THE TERM "THRESHOLD FOR ELIGIBILITY" SHALL MEAN THE AMOUNT OF TOTAL
8 MATCHABLE CONTRIBUTIONS THAT THE PARTICIPATING COMMITTEE OF AN OTHERWISE
9 ELIGIBLE CANDIDATE MUST RECEIVE, AS REQUIRED BY SECTION 14-202 OF THIS
10 TITLE, IN ORDER TO QUALIFY FOR OPTIONAL PUBLIC FINANCING PURSUANT TO
11 THIS TITLE.

12 9. THE TERM "CONTRIBUTION" SHALL HAVE THE SAME MEANING AS IN SUBDIVI-
13 SION NINE OF SECTION 14-100 OF THIS ARTICLE.

14 S 14-202. ELIGIBILITY. 1. TO BE ELIGIBLE FOR OPTIONAL PUBLIC FINANCING
15 UNDER THIS TITLE, A CANDIDATE FOR NOMINATION OR ELECTION MUST:

16 (A) MEET ALL THE REQUIREMENTS OF THIS CHAPTER AND OTHER PROVISIONS OF
17 LAW TO HAVE HIS OR HER NAME ON THE BALLOT;

18 (B) BE A CANDIDATE FOR STATE COMPTROLLER AT A PRIMARY OR GENERAL
19 ELECTION AND MEET THE THRESHOLD FOR ELIGIBILITY SET FORTH IN SUBDIVISION
20 TWO OF THIS SECTION;

21 (C) ELECT TO PARTICIPATE IN THE PUBLIC FINANCING SYSTEM ESTABLISHED BY
22 THIS TITLE NOT LATER THAN SEVEN DAYS AFTER THE LAST DAY TO FILE DESIG-
23 NATING PETITIONS FOR THE OFFICE SUCH CANDIDATE IS SEEKING;

24 (D) AGREE TO OBTAIN AND FURNISH TO THE STATE BOARD ANY EVIDENCE IT MAY
25 REASONABLY REQUEST RELATING TO HIS OR HER CAMPAIGN EXPENDITURES OR
26 CONTRIBUTIONS AND FURNISH SUCH OTHER PROOF OF COMPLIANCE WITH THIS TITLE
27 AS MAY BE REQUESTED BY THE STATE BOARD;

28 (E) HAVE A SINGLE AUTHORIZED POLITICAL COMMITTEE WHICH HE OR SHE
29 CERTIFIES AS THE PARTICIPATING COMMITTEE FOR THE PURPOSES OF THIS TITLE;
30 AND

31 (F) AGREE TO IDENTIFY ACCURATELY IN ALL CAMPAIGN MATERIALS THE PERSON
32 OR ENTITY THAT PAID FOR SUCH CAMPAIGN MATERIAL.

33 2. THE THRESHOLD FOR ELIGIBILITY FOR PUBLIC FUNDING FOR STATE COMP-
34 TROLLER CANDIDATES IN A PRIMARY OR GENERAL ELECTION SHALL BE NOT LESS
35 THAN THREE HUNDRED THOUSAND DOLLARS FROM AT LEAST THREE THOUSAND MATCHA-
36 BLE CONTRIBUTIONS MADE UP OF SUMS OF UP TO TWO HUNDRED FIFTY DOLLARS PER
37 INDIVIDUAL CONTRIBUTOR WHO RESIDES IN NEW YORK STATE.

38 3. IN ORDER TO BE ELIGIBLE TO RECEIVE PUBLIC FUNDS IN A PRIMARY
39 ELECTION A CANDIDATE MUST AGREE, THAT IN THE EVENT SUCH CANDIDATE IS A
40 CANDIDATE FOR SUCH OFFICE IN THE GENERAL ELECTION IN SUCH YEAR, THAT
41 SUCH CANDIDATE WILL BE BOUND BY THE PROVISIONS OF THIS TITLE, INCLUDING,
42 BUT NOT LIMITED TO, THE RECEIPT AND EXPENDITURE LIMITS OF THIS TITLE.

43 4. CANDIDATES WHO ARE CONTESTED IN A PRIMARY ELECTION AND WHO DO NOT
44 SEEK PUBLIC FUNDS SHALL NOT BE ELIGIBLE FOR PUBLIC FUNDS FOR THE GENERAL
45 ELECTION IN THAT YEAR.

46 5. CANDIDATES WHO ARE UNOPPOSED IN A GENERAL ELECTION SHALL NOT BE
47 ELIGIBLE TO RECEIVE PUBLIC FUNDS.

48 6. NO CANDIDATE FOR ELECTION TO THE OFFICE OF STATE COMPTROLLER IN A
49 PRIMARY OR GENERAL ELECTION WHO HAS ELECTED TO PARTICIPATE IN THE PUBLIC
50 FINANCING SYSTEM SHALL BE DEEMED OPPOSED AND RECEIVE PUBLIC FUNDS UNLESS
51 AT LEAST ONE OTHER CANDIDATE FOR SUCH OFFICE IN SUCH ELECTION WHO ALSO
52 ELECTED TO PARTICIPATE IN THE PUBLIC FINANCING SYSTEM, OR SUCH CANDI-
53 DATE'S COMMITTEE, OR AT LEAST ONE OTHER CANDIDATE FOR SUCH OFFICE IN
54 SUCH ELECTION WHO HAS NOT ELECTED TO PARTICIPATE, OR SUCH CANDIDATE'S
55 COMMITTEE, HAVE EITHER SPENT, CONTRACTED OR OBLIGATED TO SPEND, OR HAVE
56 CONTRIBUTED SUCH CANDIDATE'S PERSONAL FUNDS TO SUCH CANDIDATE'S COMMIT-

1 TEE OR HAVE RECEIVED IN LOANS OR CONTRIBUTIONS, AN AMOUNT EXCEEDING TEN
2 PERCENT OF THE EXPENDITURE LIMIT FOR SUCH OFFICE IN SUCH ELECTION WHICH
3 IS FIXED BY THIS TITLE FOR CANDIDATES WHO HAVE ELECTED TO ACCEPT SUCH
4 PUBLIC FUNDS. IF ANY CANDIDATE FOR SUCH OFFICE AND THE COMMITTEE OF SUCH
5 CANDIDATE REACHES THE THRESHOLD TO QUALIFY TO RECEIVE PUBLIC FUNDS, OR
6 SPENDS, CONTRACTS OR OBLIGATES TO SPEND, OR CONTRIBUTES SUCH CANDIDATE'S
7 PERSONAL FUNDS TO SUCH CANDIDATE'S COMMITTEE OR RECEIVES IN LOANS OR
8 CONTRIBUTIONS, AN AMOUNT EXCEEDING TEN PERCENT OF THE EXPENDITURE LIMIT
9 FOR SUCH OFFICE IN SUCH ELECTION AT ANY TIME AFTER THE FILING DEADLINE
10 FOR THE LAST REPORT REQUIRED TO BE FILED BEFORE THE FIRST DISTRIBUTION
11 OF PUBLIC FUNDS FOR SUCH ELECTION, SUCH CANDIDATE OR COMMITTEE MUST
12 NOTIFY THE STATE BOARD OF THAT FACT WITHIN TWENTY-FOUR HOURS IN THE SAME
13 MANNER AS PROVIDED IN SUBDIVISION TWO OF SECTION 14-108 OF THIS ARTICLE.

14 S 14-204. QUALIFIED CAMPAIGN EXPENDITURES. 1. PUBLIC FUNDS PROVIDED
15 UNDER THE PROVISIONS OF THIS TITLE MAY ONLY BE USED FOR EXPENDITURES BY
16 THE PARTICIPATING COMMITTEE AUTHORIZED BY THE CANDIDATE TO MAKE EXPENDI-
17 TURES ON SUCH CANDIDATE'S BEHALF, TO FURTHER THE CANDIDATE'S NOMINATION
18 OR ELECTION AFTER JANUARY FIRST OF THE YEAR IN WHICH THE PRIMARY OR
19 GENERAL ELECTION IS HELD FOR THE OFFICE SOUGHT, FOR SERVICES, MATERIALS,
20 FACILITIES OR OTHER THINGS OF VALUE USED DURING THAT CAMPAIGN CYCLE.
21 THE TOTAL OF ALL EXPENDITURES MADE BY THE CANDIDATE AND SUCH CANDIDATE'S
22 PARTICIPATING COMMITTEE, INCLUDING ALL PAYMENTS RECEIVED FROM THE FUND,
23 SHALL NOT EXCEED THE EXPENDITURE LIMITATIONS ESTABLISHED IN SECTION
24 14-210 OF THIS TITLE, EXCEPT INSOFAR AS SUCH PAYMENTS ARE MADE TO REPAY
25 LOANS USED TO PAY CAMPAIGN EXPENDITURES.

26 2. SUCH PUBLIC FUNDS MAY NOT BE USED FOR:

27 (A) AN EXPENDITURE IN VIOLATION OF ANY LAW OF THE UNITED STATES OR OF
28 THIS STATE;

29 (B) PAYMENTS OR ANYTHING OF VALUE GIVEN OR MADE TO THE CANDIDATE, A
30 RELATIVE OF THE CANDIDATE, OR TO A BUSINESS ENTITY IN WHICH ANY SUCH
31 PERSON HAS A TEN PERCENT OR GREATER OWNERSHIP INTEREST OR OF WHICH ANY
32 SUCH PERSON IS AN OFFICER, DIRECTOR OR EMPLOYEE;

33 (C) PAYMENT IN EXCESS OF THE FAIR MARKET VALUE OF SERVICES, MATERIALS,
34 FACILITIES OR OTHER THINGS OF VALUE RECEIVED IN EXCHANGE;

35 (D) ANY EXPENDITURE MADE AFTER THE PARTICIPATING CANDIDATE, OR THE
36 ONLY REMAINING OPPONENT OF SUCH CANDIDATE, HAS BEEN DISQUALIFIED OR HAD
37 SUCH CANDIDATE'S PETITIONS DECLARED INVALID BY A BOARD OF ELECTIONS OR A
38 COURT OF COMPETENT JURISDICTION UNTIL AND UNLESS SUCH FINDING IS
39 REVERSED BY A HIGHER AUTHORITY.

40 (E) ANY EXPENDITURE MADE TO CHALLENGE THE VALIDITY OF ANY PETITION OF
41 DESIGNATION OR NOMINATION OR ANY CERTIFICATE OF NOMINATION, ACCEPTANCE,
42 AUTHORIZATION, DECLINATION OR SUBSTITUTION;

43 (F) EXPENDITURE FOR NONCAMPAIGN RELATED FOOD, DRINK OR ENTERTAINMENT;
44 AND

45 (G) GIFTS, EXCEPT BROCHURES, BUTTONS, SIGNS AND OTHER CAMPAIGN MATERI-
46 AL.

47 S 14-206. OPTIONAL PUBLIC FINANCING. 1. PARTICIPATING CANDIDATES FOR
48 NOMINATION OR ELECTION IN A PRIMARY OR GENERAL ELECTION MAY OBTAIN
49 PAYMENT TO A PARTICIPATING COMMITTEE FROM PUBLIC FUNDS FOR QUALIFIED
50 CAMPAIGN EXPENDITURES. NO SUCH PUBLIC FUNDS SHALL BE PAID TO A PARTIC-
51 IPATING COMMITTEE UNTIL THE CANDIDATE HAS QUALIFIED TO APPEAR ON THE
52 BALLOT AND FILED A SWORN STATEMENT WITH THE STATE BOARD ELECTING TO
53 PARTICIPATE IN THE OPTIONAL PUBLIC FINANCING SYSTEM AND AGREEING TO
54 ABIDE BY THE REQUIREMENTS OF THIS TITLE. PAYMENTS SHALL NOT EXCEED THE
55 AMOUNTS SPECIFIED IN THIS TITLE, AND SHALL BE MADE ONLY IN ACCORDANCE
56 WITH THE PROVISIONS OF THIS TITLE. SUCH PAYMENTS MAY ONLY BE MADE TO A

1 PARTICIPATING CANDIDATE'S PARTICIPATING COMMITTEE. NO PUBLIC FUNDS SHALL
2 BE USED EXCEPT AS REIMBURSEMENT OR PAYMENT FOR QUALIFIED CAMPAIGN
3 EXPENDITURES ACTUALLY AND LAWFULLY INCURRED OR TO REPAY LOANS USED TO
4 PAY QUALIFIED CAMPAIGN EXPENDITURES.

5 2. THE PARTICIPATING COMMITTEE OF EACH PARTICIPATING CANDIDATE SHALL
6 BE ENTITLED TO FOUR DOLLARS IN PUBLIC FUNDS FOR EACH ONE DOLLAR OF
7 MATCHABLE CONTRIBUTIONS OBTAINED AND REPORTED TO THE STATE BOARD IN
8 ACCORDANCE WITH THE PROVISIONS OF THIS TITLE, PROVIDED, HOWEVER, SUCH
9 PUBLIC FUNDS SHALL ONLY BE USED FOR QUALIFIED CAMPAIGN EXPENDITURES.

10 3. (A) HOWEVER, IF ANY CANDIDATE IN ANY ELECTION FOR AN OFFICE FOR
11 WHICH PUBLIC FUNDS ARE AVAILABLE PURSUANT TO THE PROVISIONS OF THIS
12 TITLE, ELECTS NOT TO ACCEPT PUBLIC FUNDS AND SUCH CANDIDATE OR SUCH
13 CANDIDATE'S COMMITTEE EITHER SPENDS, CONTRACTS OR OBLIGATES TO SPEND, OR
14 CONTRIBUTES SUCH CANDIDATE'S PERSONAL FUNDS TO SUCH CANDIDATE'S COMMIT-
15 TEE OR RECEIVES IN LOANS OR CONTRIBUTIONS, AN AMOUNT EXCEEDING THE
16 EXPENDITURE LIMIT FOR SUCH OFFICE, AS FIXED BY THIS TITLE FOR CANDIDATES
17 WHO HAVE ELECTED TO ACCEPT PUBLIC FUNDS, THEN (I) SUCH CANDIDATE OR
18 COMMITTEE MUST NOTIFY THE STATE BOARD OF THE FACT WITHIN TWENTY-FOUR
19 HOURS VIA THE INTERNET USING THE ELECTRONIC FILING SYSTEM ESTABLISHED BY
20 THE STATE BOARD, OR IF SUCH CANDIDATE DOES NOT FILE ELECTRONICALLY VIA
21 THE INTERNET, BY FACSIMILE OR OVERNIGHT MAIL; AND (II) THE PARTICIPATING
22 COMMITTEE OF EACH PARTICIPATING CANDIDATE FOR SUCH OFFICE SHALL BE ENTI-
23 TLED TO A GRANT OF PUBLIC FUNDS EQUAL TO TWENTY-FIVE PERCENT OF THE
24 TOTAL AMOUNT OF PUBLIC FUNDS RECEIVED BY THE PARTICIPATING CANDIDATE FOR
25 MATCHABLE CONTRIBUTIONS OBTAINED AND REPORTED TO THE STATE BOARD. SUCH
26 GRANT SHALL BE PAID WITHIN TWO BUSINESS DAYS AND SHALL ONLY BE USED FOR
27 QUALIFIED CAMPAIGN EXPENDITURES.

28 (B) HOWEVER, IF ANY CANDIDATE IN ANY ELECTION FOR AN OFFICE FOR WHICH
29 PUBLIC FUNDS ARE AVAILABLE PURSUANT TO THE PROVISIONS OF THIS TITLE,
30 ELECTS NOT TO ACCEPT PUBLIC FUNDS AND SUCH CANDIDATE OR SUCH CANDIDATE'S
31 COMMITTEE EITHER SPENDS, CONTRACTS OR OBLIGATES TO SPEND, OR CONTRIBUTES
32 SUCH CANDIDATE'S PERSONAL FUNDS TO SUCH CANDIDATE'S COMMITTEE OR
33 RECEIVES IN LOANS OR CONTRIBUTIONS, AN AMOUNT EXCEEDING THE TOTAL OF THE
34 EXPENDITURE LIMIT FOR SUCH OFFICE, AS FIXED BY THIS TITLE FOR CANDIDATES
35 WHO HAVE ELECTED TO ACCEPT PUBLIC FUNDS, PLUS THE TWENTY-FIVE PERCENT
36 GRANT ALREADY RECEIVED BY THE PARTICIPATING CANDIDATE, THEN (I) SUCH
37 CANDIDATE OR COMMITTEE MUST NOTIFY THE STATE BOARD OF THE FACT WITHIN
38 TWENTY-FOUR HOURS VIA THE INTERNET USING THE ELECTRONIC FILING SYSTEM
39 ESTABLISHED BY THE STATE BOARD, OR IF SUCH CANDIDATE DOES NOT FILE ELEC-
40 TRONICALLY VIA THE INTERNET, BY FACSIMILE OR OVERNIGHT MAIL; AND (II)
41 THE PARTICIPATING COMMITTEE OF EACH PARTICIPATING CANDIDATE FOR SUCH
42 OFFICE SHALL BE ENTITLED TO AN ADDITIONAL GRANT OF PUBLIC FUNDS EQUAL TO
43 TWENTY-FIVE PERCENT OF THE TOTAL AMOUNT OF PUBLIC FUNDS RECEIVED BY THE
44 PARTICIPATING CANDIDATE FOR MATCHABLE CONTRIBUTIONS OBTAINED AND
45 REPORTED TO THE STATE BOARD. SUCH GRANT SHALL BE PAID WITHIN TWO BUSI-
46 NESS DAYS AND SHALL ONLY BE USED FOR QUALIFIED CAMPAIGN EXPENDITURES.

47 (C) HOWEVER, IF ANY CANDIDATE IN ANY ELECTION FOR AN OFFICE FOR WHICH
48 PUBLIC FUNDS ARE AVAILABLE PURSUANT TO THE PROVISIONS OF THIS TITLE,
49 ELECTS NOT TO ACCEPT PUBLIC FUNDS AND SUCH CANDIDATE OR SUCH CANDIDATE'S
50 COMMITTEE EITHER SPENDS, CONTRACTS OR OBLIGATES TO SPEND, OR CONTRIBUTES
51 SUCH CANDIDATE'S PERSONAL FUNDS TO SUCH CANDIDATE'S COMMITTEE OR
52 RECEIVES IN LOANS OR CONTRIBUTIONS, AN AMOUNT EXCEEDING THE TOTAL OF THE
53 EXPENDITURE LIMIT FOR SUCH OFFICE, AS FIXED BY THIS TITLE FOR CANDIDATES
54 WHO HAVE ELECTED TO ACCEPT PUBLIC FUNDS, PLUS THE FIFTY PERCENT TOTAL
55 AGGREGATE GRANT ALREADY RECEIVED BY THE PARTICIPATING CANDIDATE, THEN
56 (I) SUCH CANDIDATE OR COMMITTEE MUST NOTIFY THE STATE BOARD OF THE FACT

1 WITHIN TWENTY-FOUR HOURS VIA THE INTERNET USING THE ELECTRONIC FILING
2 SYSTEM ESTABLISHED BY THE STATE BOARD, OR IF SUCH CANDIDATE DOES NOT
3 FILE ELECTRONICALLY VIA THE INTERNET, BY FACSIMILE OR OVERNIGHT MAIL;
4 AND (II) THE PARTICIPATING COMMITTEE OF EACH PARTICIPATING CANDIDATE FOR
5 SUCH OFFICE SHALL BE ENTITLED TO AN ADDITIONAL GRANT OF PUBLIC FUNDS
6 EQUAL TO TWENTY-FIVE PERCENT OF THE TOTAL AMOUNT OF PUBLIC FUNDS
7 RECEIVED BY THE PARTICIPATING CANDIDATE FOR MATCHABLE CONTRIBUTIONS
8 OBTAINED AND REPORTED TO THE STATE BOARD. SUCH GRANT SHALL BE PAID WITH-
9 IN TWO BUSINESS DAYS AND SHALL ONLY BE USED FOR QUALIFIED CAMPAIGN
10 EXPENDITURES.

11 (D) HOWEVER, IF ANY CANDIDATE IN ANY ELECTION FOR AN OFFICE FOR WHICH
12 PUBLIC FUNDS ARE AVAILABLE PURSUANT TO THE PROVISIONS OF THIS TITLE,
13 ELECTS NOT TO ACCEPT PUBLIC FUNDS AND SUCH CANDIDATE OR SUCH CANDIDATE'S
14 COMMITTEE EITHER SPENDS, CONTRACTS OR OBLIGATES TO SPEND, OR CONTRIBUTES
15 SUCH CANDIDATE'S PERSONAL FUNDS TO SUCH CANDIDATE'S COMMITTEE OR
16 RECEIVES IN LOANS OR CONTRIBUTIONS, AN AMOUNT EXCEEDING THE TOTAL OF THE
17 EXPENDITURE LIMIT FOR SUCH OFFICE, AS FIXED BY THIS TITLE FOR CANDIDATES
18 WHO HAVE ELECTED TO ACCEPT PUBLIC FUNDS, PLUS THE SEVENTY-FIVE PERCENT
19 TOTAL AGGREGATE GRANT ALREADY RECEIVED BY THE PARTICIPATING CANDIDATE,
20 THEN (I) SUCH CANDIDATE OR COMMITTEE MUST NOTIFY THE STATE BOARD OF THE
21 FACT WITHIN TWENTY-FOUR HOURS VIA THE INTERNET USING THE ELECTRONIC
22 FILING SYSTEM ESTABLISHED BY THE STATE BOARD, OR IF SUCH CANDIDATE DOES
23 NOT FILE ELECTRONICALLY VIA THE INTERNET, BY FACSIMILE OR OVERNIGHT
24 MAIL; AND (II) THE PARTICIPATING COMMITTEE OF EACH PARTICIPATING CANDI-
25 DATE FOR SUCH OFFICE SHALL BE ENTITLED TO AN ADDITIONAL GRANT OF PUBLIC
26 FUNDS EQUAL TO TWENTY-FIVE PERCENT OF THE TOTAL AMOUNT OF PUBLIC FUNDS
27 RECEIVED BY THE PARTICIPATING CANDIDATE FOR MATCHABLE CONTRIBUTIONS
28 OBTAINED AND REPORTED TO THE STATE BOARD. SUCH GRANT SHALL BE PAID WITH-
29 IN TWO BUSINESS DAYS AND MAY ONLY BE USED FOR QUALIFIED CAMPAIGN EXPEND-
30 ITURES.

31 4. (A) NO PARTICIPATING CANDIDATE FOR NOMINATION FOR AN OFFICE WHO IS
32 UNOPPOSED IN A PRIMARY ELECTION SHALL BE ENTITLED TO PAYMENT FROM THE
33 FUND FOR QUALIFIED CAMPAIGN EXPENDITURES.

34 (B) WHERE THERE IS A CONTEST IN SUCH PRIMARY FOR THE NOMINATION OF AT
35 LEAST ONE OTHER PARTY FOR SUCH OFFICE, THE PARTICIPATING COMMITTEE OF AN
36 UNOPPOSED PARTICIPATING CANDIDATE FOR NOMINATION MAY RAISE AND SPEND AN
37 AMOUNT EQUAL TO ONE-HALF THE EXPENDITURE LIMIT FOR SUCH OFFICE, AS FIXED
38 BY THIS TITLE FOR CANDIDATES WHO HAVE ELECTED TO ACCEPT PUBLIC FUNDS,
39 WITH CONTRIBUTIONS OF UP TO TWO THOUSAND DOLLARS PER CONTRIBUTOR. SUCH
40 PAYMENT CAN ONLY BE EXPENDED FOR PROPERTY, SERVICES OR FACILITIES USED
41 ON OR BEFORE THE DATE OF SUCH PRIMARY ELECTION.

42 5. THE STATE BOARD SHALL PROMPTLY EXAMINE ALL REPORTS OF CONTRIBUTIONS
43 TO DETERMINE WHETHER, ON THEIR FACE, THEY MEET THE REQUIREMENTS FOR
44 MATCHABLE CONTRIBUTIONS, AND SHALL KEEP A RECORD OF SUCH CONTRIBUTIONS.

45 6. THE STATE BOARD SHALL PROMULGATE REGULATIONS FOR THE CERTIFICATION
46 OF THE AMOUNT OF FUNDS PAYABLE BY THE COMPTROLLER, FROM THE FUND ESTAB-
47 LISHED PURSUANT TO SECTION NINETY-TWO-T OF THE STATE FINANCE LAW, TO A
48 PARTICIPATING CANDIDATE THAT HAS QUALIFIED TO RECEIVE SUCH PAYMENT.
49 THESE REGULATIONS SHALL INCLUDE THE PROMULGATION AND DISTRIBUTION OF
50 FORMS ON WHICH CONTRIBUTIONS AND EXPENDITURES ARE TO BE REPORTED, THE
51 PERIODS DURING WHICH SUCH REPORTS MUST BE FILED AND THE VERIFICATION
52 REQUIRED. THE STATE BOARD SHALL INSTITUTE PROCEDURES WHICH WILL MAKE
53 POSSIBLE PAYMENT BY THE FUND WITHIN FOUR BUSINESS DAYS AFTER RECEIPT OF
54 THE REQUIRED FORMS AND VERIFICATIONS.

55 S 14-208. CONTRIBUTION AND RECEIPT LIMITATIONS. 1. IN ANY PRIMARY OR
56 GENERAL ELECTION FOR THE OFFICE OF STATE COMPTROLLER, NO CONTRIBUTOR MAY

1 MAKE A CONTRIBUTION TO ANY PARTICIPATING CANDIDATE OR SUCH CANDIDATE'S
2 PARTICIPATING COMMITTEE, AND NO PARTICIPATING CANDIDATE OR PARTICIPATING
3 COMMITTEE MAY ACCEPT ANY CONTRIBUTION FROM ANY CONTRIBUTOR WHICH, IN THE
4 AGGREGATE AMOUNT, IS GREATER THAN TWO THOUSAND DOLLARS.

5 2. (A) NOTWITHSTANDING THE EXPENDITURE LIMIT FOR SUCH OFFICE AS FIXED
6 BY THIS TITLE FOR CANDIDATES WHO HAVE ELECTED TO ACCEPT PUBLIC FUNDS, A
7 PARTICIPATING CANDIDATE FOR STATE COMPTROLLER IN A PRIMARY OR GENERAL
8 ELECTION OR SUCH CANDIDATE'S PARTICIPATING COMMITTEE MAY ACCEPT FROM A
9 STATE PARTY COMMITTEE WHICH HAS NOMINATED SUCH CANDIDATE SERVICES IN AN
10 AMOUNT WHICH, IN THE AGGREGATE, DOES NOT EXCEED ONE MILLION DOLLARS;
11 PROVIDED, HOWEVER, THAT TWENTY-FIVE PERCENT OF SUCH AMOUNT MAY BE
12 ACCEPTED IN THE FORM OF A TRANSFER.

13 (B) FOR PURPOSES OF THIS SUBDIVISION, THE TERM STATE PARTY COMMITTEE
14 INCLUDES ANY OF ITS SUBCOMMITTEES.

15 3. NOTWITHSTANDING ANY EXPENDITURE LIMIT IN THIS SUBDIVISION, EACH
16 COUNTY COMMITTEE OF ANY PARTY WHICH NOMINATES A CANDIDATE FOR STATE
17 COMPTROLLER, INCLUDING WITHIN THE TERM COUNTY COMMITTEE ANY OF ITS
18 SUBCOMMITTEES, MAY EXPEND IN SUPPORT OF EACH SUCH CANDIDATE OF SUCH
19 PARTY WHO HAS AGREED TO ACCEPT PUBLIC FINANCING, AN AMOUNT WHICH SHALL
20 NOT EXCEED THE SUM OF TWO CENTS FOR EACH VOTER REGISTERED IN SUCH COUNTY
21 AS DETERMINED BY THE RECORDS OF THE APPROPRIATE BOARD OF ELECTIONS AS OF
22 THE PRECEDING GENERAL ELECTION.

23 4. IN COMPUTING THE AGGREGATE AMOUNT EXPENDED FOR PURPOSES OF THIS
24 SECTION, EXPENDITURES MADE BY A STATE PARTY COMMITTEE OR A COUNTY
25 COMMITTEE IN SUPPORT OF MORE THAN ONE CANDIDATE SHALL BE ALLOCATED AMONG
26 SUCH CANDIDATES SUPPORTED BY THE COMMITTEE IN ACCORDANCE WITH FORMULAS
27 PROMULGATED BY THE STATE BOARD OR, IN THE ABSENCE OF SUCH OFFICIAL
28 FORMULAS, IN ACCORDANCE WITH A FORMULA BASED UPON REASONABLE STANDARDS.
29 THE STATEMENTS FILED BY SUCH PARTY COMMITTEE IN ACCORDANCE WITH THIS
30 CHAPTER SHALL SET FORTH, IN ADDITION TO THE OTHER INFORMATION REQUIRED,
31 THE TOTAL AMOUNT EXPENDED BY THE PARTY COMMITTEE ON BEHALF OF ALL SUCH
32 CANDIDATES AND THE AMOUNT ALLOCATED TO EACH CANDIDATE BY DOLLAR AMOUNT
33 AND PERCENTAGE. EXPENDITURES BY A PARTY FOR ACTIVITIES WHICH DO NOT
34 SUPPORT OR OPPOSE THE ELECTION OF ANY CANDIDATE OR CANDIDATES BY NAME OR
35 BY CLEAR INFERENCE SHALL NOT BE REGARDED AS EXPENDITURES ON BEHALF OF OR
36 IN OPPOSITION TO A CANDIDATE.

37 5. A PARTICIPATING CANDIDATE FOR A PUBLIC OFFICE FOR WHICH PUBLIC
38 FUNDS ARE AVAILABLE PURSUANT TO THIS TITLE SHALL NOT ACCEPT ANY CONTRIB-
39 UTIONS ANY EARLIER THAN ONE DAY AFTER THE PREVIOUS GENERAL ELECTION FOR
40 THE OFFICE WHICH SUCH CANDIDATE IS SEEKING, OR ANY LATER THAN THE DAY OF
41 THE GENERAL ELECTION FOR THE OFFICE SOUGHT, EXCEPT THAT A PARTICIPATING
42 CANDIDATE OR PARTICIPATING COMMITTEE WHICH HAS A DEFICIT ON THE DAY OF
43 THE GENERAL ELECTION MAY, AFTER SUCH DATE, ACCEPT CONTRIBUTIONS WHICH DO
44 NOT EXCEED THE AMOUNT OF SUCH DEFICIT AND THE EXPENSES INCURRED IN RAIS-
45 ING SUCH CONTRIBUTIONS OR THE EXPENDITURE LIMIT FOR SUCH OFFICE AS FIXED
46 BY THIS TITLE FOR CANDIDATES WHO HAVE ELECTED TO ACCEPT PUBLIC FUNDS.
47 CONTRIBUTIONS TO A PARTICIPATING CANDIDATE OR PARTICIPATING COMMITTEE
48 WHICH WERE RECEIVED BEFORE JANUARY FIRST OF THE YEAR IN WHICH THE PRIMA-
49 RY OR GENERAL ELECTION IS HELD FOR THE PUBLIC OFFICE SOUGHT, MAY NOT BE
50 EXPENDED DURING THE YEAR IN WHICH THE ELECTION FOR SUCH OFFICE IS HELD.

51 6. EXCEPT FOR THE LIMITATIONS SPECIFICALLY SET FORTH IN THIS SECTION,
52 PARTICIPATING CANDIDATES SHALL BE SUBJECT TO THE PROVISIONS OF THIS
53 ARTICLE.

54 S 14-210. EXPENDITURE LIMITATIONS. THE FOLLOWING EXPENDITURE LIMITA-
55 TIONS APPLY TO ALL EXPENDITURES BY PARTICIPATING CANDIDATES AND THEIR

1 PARTICIPATING COMMITTEES RECEIVING PUBLIC FUNDS PURSUANT TO THE
2 PROVISIONS OF THIS TITLE:

3 1. (A) IN ANY PRIMARY ELECTION, EXPENDITURES BY PARTICIPATING CANDI-
4 DATES FOR STATE COMPTROLLER AND BY THEIR PARTICIPATING COMMITTEES SHALL
5 NOT EXCEED THE SUM OF ONE DOLLAR AND TEN CENTS FOR EACH VOTER ENROLLED
6 IN THE CANDIDATE'S PARTY IN THE STATE; PROVIDED, HOWEVER, SUCH SUM SHALL
7 NOT BE LESS THAN SIX HUNDRED THOUSAND DOLLARS NOR MORE THAN SIX MILLION
8 DOLLARS;

9 (B) THE ENROLLMENT NUMBERS USED TO CALCULATE THE EXPENDITURE LIMITS
10 PROVIDED FOR IN THIS SUBDIVISION SHALL BE THE ENROLLMENTS DULY REPORTED
11 BY THE APPROPRIATE BOARD OR BOARDS OF ELECTION AS OF THE LAST GENERAL
12 ELECTION PRECEDING THE PRIMARY ELECTION.

13 2. IN ANY GENERAL ELECTION, EXPENDITURES BY PARTICIPATING CANDIDATES
14 FOR STATE COMPTROLLER AND BY THEIR PARTICIPATING COMMITTEES SHALL NOT
15 EXCEED EIGHT MILLION DOLLARS.

16 3. PARTICIPATING CANDIDATES FOR OFFICE WHO ARE UNOPPOSED IN THE PRIMA-
17 RY ELECTION MAY EXPEND BEFORE THE PRIMARY ELECTION, FOR SERVICES, MATE-
18 RIALS OR FACILITIES USED ON OR BEFORE THE DATE OF SUCH PRIMARY ELECTION,
19 AN AMOUNT EQUAL TO HALF THE SUM SUCH CANDIDATES WOULD BE ENTITLED TO
20 SPEND IF THEIR NOMINATION WAS CONTESTED IN SUCH PRIMARY ELECTION
21 PROVIDED THERE IS A PRIMARY CONTEST FOR THE NOMINATION OF AT LEAST ONE
22 OTHER PARTY FOR SUCH OFFICE.

23 4. EXPENDITURES FOR LEGAL FEES AND REASONABLE EXPENSES TO DEFEND THE
24 VALIDITY OF PETITIONS OF DESIGNATION OR NOMINATION OR CERTIFICATES OF
25 NOMINATION, ACCEPTANCE, AUTHORIZATION, DECLINATION OR SUBSTITUTION, OR
26 TO SUCCESSFULLY CHALLENGE ANY SUCH PETITION OR CERTIFICATE ON GROUNDS OF
27 FRAUD, OR FOR EXPENSES INCURRED TO COMPLY WITH THE CAMPAIGN FINANCE
28 REPORTING REQUIREMENTS OF THIS ARTICLE, SHALL NOT BE SUBJECT TO THE
29 EXPENDITURE LIMITS OF THIS SUBDIVISION.

30 S 14-212. EXAMINATIONS AND AUDITS; REPAYMENTS. 1. THE STATE BOARD
31 SHALL CONDUCT A THOROUGH EXAMINATION AND AUDIT OF THE CONTRIBUTIONS AND
32 QUALIFIED CAMPAIGN EXPENSES OF THE PARTICIPATING COMMITTEE OF EVERY
33 PARTICIPATING CANDIDATE WHO RECEIVED PAYMENTS PURSUANT TO SECTION 14-206
34 OF THIS TITLE.

35 2. (A) IF THE STATE BOARD DETERMINES THAT ANY PORTION OF THE PAYMENT
36 MADE TO A PARTICIPATING COMMITTEE FROM THE FUND WAS IN EXCESS OF THE
37 AGGREGATE AMOUNT OF PAYMENTS TO WHICH SUCH ELIGIBLE CANDIDATE WAS ENTI-
38 TLED PURSUANT TO SECTION 14-206 OF THIS TITLE, IT SHALL NOTIFY SUCH
39 COMMITTEE OF THE EXCESS AMOUNT AND SUCH COMMITTEE SHALL PAY TO THE STATE
40 BOARD AN AMOUNT EQUAL TO THE AMOUNT OF EXCESS PAYMENTS.

41 (B) IF THE STATE BOARD DETERMINES THAT ANY AMOUNT OF PAYMENT MADE TO A
42 PARTICIPATING COMMITTEE FROM THE FUND WAS USED FOR PURPOSES OTHER THAN
43 TO DEFRAY QUALIFIED CAMPAIGN EXPENSES, IT SHALL NOTIFY SUCH PARTICIPAT-
44 ING COMMITTEE OF THE AMOUNT DISQUALIFIED AND SUCH PARTICIPATING COMMIT-
45 TEE SHALL PAY TO THE STATE BOARD AN AMOUNT EQUAL TO SUCH DISQUALIFIED
46 AMOUNT.

47 (C) IF THE TOTAL OF CONTRIBUTIONS AND PAYMENTS FROM THE FUND RECEIVED
48 BY ANY PARTICIPATING CANDIDATE AND SUCH CANDIDATE'S PARTICIPATING
49 COMMITTEE, EXCEEDS THE CAMPAIGN EXPENDITURES OF SUCH CANDIDATE AND
50 COMMITTEE, SUCH CANDIDATE AND COMMITTEE SHALL USE SUCH EXCESS FUNDS TO
51 REIMBURSE THE FUND FOR PAYMENTS RECEIVED BY SUCH COMMITTEE FROM THE FUND
52 NOT LATER THAN TEN DAYS AFTER ALL PERMISSIBLE LIABILITIES HAVE BEEN PAID
53 AND IN ANY EVENT, NOT LATER THAN MARCH THIRTY-FIRST OF THE YEAR FOLLOW-
54 ING THE YEAR OF THE ELECTION FOR WHICH SUCH PAYMENTS WERE INTENDED. NO
55 SUCH EXCESS FUNDS SHALL BE USED FOR ANY OTHER PURPOSE.

1 3. IF A COURT OF COMPETENT JURISDICTION DISQUALIFIES A CANDIDATE WHOSE
2 PARTICIPATING COMMITTEE HAS RECEIVED PUBLIC FUNDS ON THE GROUNDS THAT
3 SUCH CANDIDATE COMMITTED FRAUDULENT ACTS IN ORDER TO OBTAIN A PLACE ON
4 THE BALLOT AND SUCH DECISION IS NOT REVERSED BY A HIGHER COURT, SUCH
5 CANDIDATE AND SUCH CANDIDATE'S PARTICIPATING COMMITTEE SHALL PAY TO THE
6 STATE BOARD AN AMOUNT EQUAL TO THE TOTAL OF PUBLIC FUNDS RECEIVED BY
7 SUCH PARTICIPATING COMMITTEE.

8 4. THE STATE BOARD MUST PROVIDE WRITTEN NOTICE OF ALL PAYMENTS DUE
9 FROM A PARTICIPATING CANDIDATE OR SUCH CANDIDATE'S COMMITTEE TO THE
10 STATE BOARD AND PROVIDE AN OPPORTUNITY FOR THE CANDIDATE OR COMMITTEE TO
11 REBUT, IN WHOLE OR IN PART, THE ALLEGED AMOUNT DUE. UPON A FINAL WRITTEN
12 DETERMINATION BY THE STATE BOARD, THE AMOUNT DUE SHALL BE PAID TO THE
13 STATE BOARD WITHIN THIRTY DAYS OF SUCH DETERMINATION.

14 5. ALL PAYMENTS RECEIVED BY THE STATE BOARD PURSUANT TO THIS SECTION
15 SHALL BE DEPOSITED IN THE NEW YORK STATE CAMPAIGN FINANCE FUND ESTAB-
16 LISHED BY SECTION NINETY-TWO-T OF THE STATE FINANCE LAW.

17 S 14-214. CIVIL PENALTIES. 1. ANY PERSON WHO FAILS TO FILE A STATEMENT
18 OR RECORD REQUIRED TO BE FILED BY THIS TITLE OR THE RULES OR REGULATIONS
19 OF THE STATE BOARD IN IMPLEMENTATION THEREOF SHALL BE SUBJECT TO A CIVIL
20 PENALTY, NOT IN EXCESS OF FIVE THOUSAND DOLLARS, TO BE RECOVERABLE IN A
21 SPECIAL PROCEEDING OR CIVIL ACTION BROUGHT BY THE STATE BOARD.

22 2. IF THE AGGREGATE AMOUNT OF EXPENDITURES BY A PARTICIPATING CANDI-
23 DATE AND SUCH CANDIDATE'S PARTICIPATING COMMITTEE EXCEEDS THE EXPENDI-
24 TURE LIMITATIONS CONTAINED IN THIS TITLE SUCH PARTICIPATING CANDIDATE
25 SHALL BE LIABLE FOR A CIVIL PENALTY IN AN AMOUNT EQUAL TO THREE TIMES
26 THE SUM BY WHICH SUCH EXPENDITURES EXCEED THE PERMITTED AMOUNT, TO BE
27 RECOVERABLE IN A SPECIAL PROCEEDING OR CIVIL ACTION BROUGHT BY THE STATE
28 BOARD.

29 3. ALL PAYMENTS RECEIVED BY THE STATE BOARD PURSUANT TO THIS SECTION
30 SHALL BE DEPOSITED IN THE NEW YORK STATE CAMPAIGN FINANCE FUND ESTAB-
31 LISHED BY SECTION NINETY-TWO-T OF THE STATE FINANCE LAW.

32 S 8. The election law is amended by adding a new section 16-103 to
33 read as follows:

34 S 16-103. PROCEEDINGS AS TO PUBLIC FINANCING. 1. THE DETERMINATION OF
35 ELIGIBILITY PURSUANT TO SECTION 14-202 OF THIS CHAPTER AND ANY QUESTION
36 OR ISSUE RELATING TO PAYMENTS FOR QUALIFIED CAMPAIGN EXPENDITURES PURSU-
37 ANT TO SECTION 14-206 OF THIS CHAPTER MAY BE CONTESTED IN A PROCEEDING
38 INSTITUTED IN THE SUPREME COURT, ALBANY COUNTY, BY ANY AGGRIEVED CANDI-
39 DATE.

40 2. A PROCEEDING WITH RESPECT TO SUCH A DETERMINATION OF ELIGIBILITY OR
41 PAYMENT FOR QUALIFIED CAMPAIGN EXPENDITURES PURSUANT TO SECTION 14-206
42 OF THIS CHAPTER SHALL BE INSTITUTED WITHIN SEVEN DAYS AFTER SUCH DETER-
43 MINATION WAS MADE. THE STATE BOARD SHALL BE MADE A PARTY TO ANY SUCH
44 PROCEEDING.

45 3. UPON THE STATE BOARD'S FAILURE TO RECEIVE THE AMOUNT DUE FROM A
46 PARTICIPATING CANDIDATE OR SUCH CANDIDATE'S COMMITTEE AFTER THE ISSUANCE
47 OF WRITTEN NOTICE OF SUCH AMOUNT DUE, AS REQUIRED BY SUBDIVISION FOUR OF
48 SECTION 14-212 OF THIS CHAPTER, THE STATE BOARD IS AUTHORIZED TO INSTI-
49 TUTE A SPECIAL PROCEEDING OR CIVIL ACTION IN SUPREME COURT, ALBANY COUN-
50 TY, TO OBTAIN A JUDGMENT FOR ANY AMOUNTS DETERMINED TO BE PAYABLE TO THE
51 STATE BOARD AS A RESULT OF AN EXAMINATION AND AUDIT MADE PURSUANT TO
52 TITLE II OF ARTICLE FOURTEEN OF THIS CHAPTER.

53 4. THE STATE BOARD IS AUTHORIZED TO INSTITUTE A SPECIAL PROCEEDING OR
54 CIVIL ACTION IN SUPREME COURT, ALBANY COUNTY, TO OBTAIN A JUDGMENT FOR
55 CIVIL PENALTIES DETERMINED TO BE PAYABLE TO THE STATE BOARD PURSUANT TO
56 SECTION 14-214 OF THIS CHAPTER.

1 S 9. The state finance law is amended by adding a new section 92-t to
2 read as follows:

3 S 92-T. NEW YORK STATE CAMPAIGN FINANCE FUND. 1. THERE IS HEREBY
4 ESTABLISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE
5 COMMISSIONER OF TAXATION AND FINANCE A FUND TO BE KNOWN AS THE NEW YORK
6 STATE CAMPAIGN FINANCE FUND.

7 2. SUCH FUND SHALL CONSIST OF ALL REVENUES RECEIVED FROM THE NEW YORK
8 STATE CAMPAIGN FINANCE FUND CHECK-OFF PURSUANT TO SUBSECTION (F) OF
9 SECTION SIX HUNDRED FIFTY-EIGHT OF THE TAX LAW, FROM THE GENERAL FUND,
10 AND FROM ALL OTHER MONEYS CREDITED OR TRANSFERRED THERETO FROM ANY OTHER
11 FUND OR SOURCE PURSUANT TO LAW.

12 3. MONEYS OF THE FUND, FOLLOWING APPROPRIATION BY THE LEGISLATURE, MAY
13 BE EXPENDED FOR THE PURPOSES OF MAKING PAYMENTS TO CANDIDATES PURSUANT
14 TO TITLE II OF ARTICLE FOURTEEN OF THE ELECTION LAW. MONEYS SHALL BE
15 PAID OUT OF THE FUND ON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER
16 ON VOUCHERS CERTIFIED OR APPROVED BY THE STATE BOARD OF ELECTIONS, OR
17 ITS DULY DESIGNATED REPRESENTATIVE, IN THE MANNER PRESCRIBED BY LAW, NOT
18 MORE THAN FOUR WORKING DAYS AFTER SUCH VOUCHER IS RECEIVED BY THE STATE
19 COMPTROLLER.

20 4. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, IF, IN ANY
21 STATE FISCAL YEAR, THE STATE CAMPAIGN FINANCE FUND LACKS THE AMOUNT OF
22 MONEY TO PAY ALL CLAIMS VOUCHERED BY ELIGIBLE CANDIDATES AND CERTIFIED
23 OR APPROVED BY THE STATE BOARD OF ELECTIONS, ANY SUCH DEFICIENCY SHALL
24 BE PAID, UPON AUDIT AND WARRANT OF THE STATE COMPTROLLER, FROM FUNDS
25 DEPOSITED IN THE GENERAL FUND OF THE STATE NOT MORE THAN FOUR WORKING
26 DAYS AFTER SUCH VOUCHER IS RECEIVED BY THE STATE COMPTROLLER.

27 5. COMMENCING IN TWO THOUSAND FIFTEEN, IF THE SURPLUS IN THE FUND ON
28 APRIL FIRST OF THE YEAR AFTER A YEAR IN WHICH A GOVERNOR IS ELECTED
29 EXCEEDS TWENTY-FIVE PERCENT OF THE DISBURSEMENTS FROM THE FUND OVER THE
30 PREVIOUS FOUR YEARS, THE EXCESS SHALL REVERT TO THE GENERAL FUND OF THE
31 STATE.

32 6. NO PUBLIC FUNDS SHALL BE PAID TO ANY PARTICIPATING CANDIDATES IN A
33 PRIMARY ELECTION ANY EARLIER THAN THE DAY THAT SUCH CANDIDATE IS CERTI-
34 FIED AS BEING ON THE BALLOT FOR SUCH PRIMARY ELECTION.

35 7. NO PUBLIC FUNDS SHALL BE PAID TO ANY PARTICIPATING CANDIDATES IN A
36 GENERAL ELECTION ANY EARLIER THAN THE DAY AFTER THE DAY OF THE PRIMARY
37 ELECTION HELD TO NOMINATE CANDIDATES FOR SUCH ELECTION.

38 8. NO PUBLIC FUNDS SHALL BE PAID TO ANY PARTICIPATING CANDIDATE WHO
39 HAS BEEN DISQUALIFIED OR WHOSE DESIGNATING PETITIONS HAVE BEEN DECLARED
40 INVALID BY THE APPROPRIATE BOARD OF ELECTIONS OR A COURT OF COMPETENT
41 JURISDICTION UNTIL AND UNLESS SUCH FINDING IS REVERSED BY A HIGHER
42 AUTHORITY. NO PAYMENT FROM THE FUND IN THE POSSESSION OF SUCH A CANDI-
43 DATE OR SUCH CANDIDATE'S PARTICIPATING COMMITTEE ON THE DATE OF SUCH
44 DISQUALIFICATION OR INVALIDATION MAY THEREAFTER BE EXPENDED FOR ANY
45 PURPOSE EXCEPT THE PAYMENT OF LIABILITIES INCURRED BEFORE SUCH DATE. ALL
46 SUCH MONEYS SHALL BE REPAID TO THE FUND.

47 S 10. Section 658 of the tax law is amended by adding a new subsection
48 (f) to read as follows:

49 (F) NEW YORK STATE CAMPAIGN FINANCE FUND CHECK-OFF. (1) FOR EACH
50 TAXABLE YEAR BEGINNING ON AND AFTER JANUARY FIRST, TWO THOUSAND NINE,
51 EVERY INDIVIDUAL WHOSE NEW YORK STATE INCOME TAX LIABILITY FOR THE TAXA-
52 BLE YEAR FOR WHICH THE RETURN IS FILED IS FIVE DOLLARS OR MORE MAY
53 DESIGNATE ON SUCH RETURN THAT FIVE DOLLARS BE PAID INTO THE NEW YORK
54 STATE CAMPAIGN FINANCE FUND ESTABLISHED BY SECTION NINETY-TWO-T OF THE
55 STATE FINANCE LAW. WHERE A HUSBAND AND WIFE FILE A JOINT RETURN AND
56 HAVE A NEW YORK STATE INCOME TAX LIABILITY FOR THE TAXABLE YEAR FOR

1 WHICH THE RETURN IS FILED OF TEN DOLLARS OR MORE, OR FILE SEPARATE
 2 RETURNS ON A SINGLE FORM, EACH SUCH TAXPAYER MAY MAKE SEPARATE DESIG-
 3 NATIONS ON SUCH RETURN OF FIVE DOLLARS TO BE PAID INTO THE NEW YORK
 4 STATE CAMPAIGN FINANCE FUND.

5 (2) THE COMMISSIONER SHALL TRANSFER TO THE NEW YORK STATE CAMPAIGN
 6 FINANCE FUND, ESTABLISHED PURSUANT TO SECTION NINETY-TWO-T OF THE STATE
 7 FINANCE LAW, AN AMOUNT EQUAL TO FIVE DOLLARS MULTIPLIED BY THE NUMBER OF
 8 DESIGNATIONS.

9 (3) FOR PURPOSES OF THIS SUBSECTION, THE INCOME TAX LIABILITY OF AN
 10 INDIVIDUAL FOR ANY TAXABLE YEAR IS THE AMOUNT OF TAX IMPOSED UNDER THIS
 11 ARTICLE REDUCED BY THE SUM OF THE CREDITS (AS SHOWN IN HIS OR HER
 12 RETURN) ALLOWABLE UNDER THIS ARTICLE.

13 (4) THE DEPARTMENT SHALL INCLUDE A PLACE ON EVERY PERSONAL INCOME TAX
 14 RETURN FORM TO BE FILED BY AN INDIVIDUAL FOR A TAX YEAR BEGINNING ON OR
 15 AFTER JANUARY FIRST, TWO THOUSAND NINE, IMMEDIATELY ABOVE THE CERTIF-
 16 ICATION UNDER WHICH THE TAXPAYER IS REQUIRED TO SIGN SUCH FORM, FOR SUCH
 17 TAXPAYER TO MAKE THE DESIGNATIONS DESCRIBED IN PARAGRAPH ONE OF THIS
 18 SUBSECTION. SUCH RETURN FORM SHALL CONTAIN A CONCISE EXPLANATION OF THE
 19 PURPOSE OF SUCH OPTIONAL DESIGNATIONS.

20 S 11. Campaign finance review panel. 1. There is hereby created and
 21 established the "campaign finance review panel". The panel shall consist
 22 of the commissioner of taxation and finance, the director of the divi-
 23 sion of the budget, the state comptroller and the four members of the
 24 state board of elections. The commissioner of taxation and finance
 25 shall be chairperson.

26 2. The panel is empowered and it shall be its duty to monitor and
 27 review the implementation of the State Comptroller Campaign Finance
 28 Reform Act. The panel shall report to the governor and the legislature
 29 on March 31, 2011. The report shall include: (a) the number of candi-
 30 dates qualifying and opting for public financing, the amounts expended
 31 for this purpose in the preceding fiscal year and a projection of the
 32 number of candidates likely to qualify and opt for public financing and
 33 their expenditures in future elections; (b) an analysis of the effect of
 34 the State Comptroller Campaign Finance Reform Act on political
 35 campaigns, including its effect on the sources and amounts of private
 36 financing, the level of campaign expenditures, voter participation, the
 37 number of candidates and the candidate's ability to campaign effectively
 38 for public office; (c) a review of the procedures utilized in providing
 39 public funds to candidates; and (d) such recommended changes in the
 40 State Comptroller Campaign Finance Reform Act as it deems appropriate.

41 S 12. Severability. If any clause, sentence, subdivision, paragraph,
 42 section or part of title II of article 14 of the election law, as added
 43 by section seven of this act be adjudged by any court of competent
 44 jurisdiction to be invalid, such judgment shall not affect, impair or
 45 invalidate the remainder thereof, but shall be confined in its operation
 46 to the clause, sentence, subdivision, paragraph, section or part thereof
 47 directly involved in the controversy in which such judgment shall have
 48 been rendered.

49 S 13. This act shall take effect immediately.

50

PART E

51 Section 1. The executive law is amended by adding a new section 41-d
 52 to read as follows:

53 S 41-D. TRANSACTION REPORTING. THE STATE COMPTROLLER, WITHIN HIS OR
 54 HER DISCRETION, AND IN CONSULTATION WITH THE SUPERINTENDENT OF INSUR-

1 ANCE, MAY ESTABLISH THE FREQUENCY FOR REPORTING INFORMATION RELATING TO
2 TRANSACTIONS OF THE COMMON RETIREMENT FUND INCLUDING, BUT NOT LIMITED
3 TO, INVESTMENT PERFORMANCE RESULTS, PROXY VOTING RECORDS, ASSET ALLO-
4 CATION, PERFORMANCE FIGURES, AND AN INTERIM PERFORMANCE STATEMENT. SUCH
5 FREQUENCY OF REPORTING MAY INCLUDE, BUT NOT BE LIMITED TO MONTHLY, QUAR-
6 TERLY, SEMI-ANNUALLY AND ANNUALLY. THE PUBLICATION OF ANY SUCH INFORMA-
7 TION SHALL BE MADE AVAILABLE UPON COMPTROLLER'S INTERNET WEBSITE.

8 S 2. This act shall take effect immediately.

9

PART F

10 Section 1. The retirement and social security law is amended by adding
11 a new section 424-a to read as follows:

12 S 424-A. VARIABLE INTEREST RATE BOND LIQUIDITY AND MONOLINE INSURER
13 INVESTMENT PROGRAM. 1. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE
14 COMPTROLLER MAY, IN AN AMOUNT NOT TO EXCEED ONE BILLION DOLLARS FOR
15 VARIABLE INTEREST RATE BOND LIQUIDITY AND IN AN AMOUNT NOT TO EXCEED
16 FIVE HUNDRED MILLION DOLLARS FOR THE MONOLINE INSURER INVESTMENTS,
17 SUBJECT TO AND CONSISTENT WITH HIS OR HER FIDUCIARY DUTIES AS TRUSTEE OF
18 THE COMMON RETIREMENT FUND, ESTABLISH VARIABLE INTEREST BOND LIQUIDITY
19 AND MONOLINE INSURER INVESTMENT PROGRAMS, HEREINAFTER REFERRED TO AS THE
20 "PROGRAM", TO ASSIST ENTITIES OF STATE AND LOCAL GOVERNMENT AND OTHER
21 ISSUERS OF MUNICIPAL DEBT, WHERE SUCH DEBT IS ISSUED FOR PROJECTS SPON-
22 SORED BY SUCH STATE AND LOCAL GOVERNMENTS, TO SECURE MORE FAVORABLE
23 FINANCING TERMS BY:

24 (A) PROVIDING LETTERS OF CREDIT, STANDBY BOND PURCHASE AGREEMENTS AND
25 SIMILAR LIQUIDITY FACILITIES FOR VARIABLE INTEREST RATE BONDS; AND

26 (B) INVESTING IN EXISTING OR NEW MONOLINE INSURERS THAT ENHANCE SUCH
27 TYPES OF DEBT.

28 2. ANY PROGRAM ESTABLISHED PURSUANT TO THIS SECTION SHALL COMPLY WITH
29 THE REQUIREMENTS OF SECTION 503(B) OF THE INTERNAL REVENUE CODE.

30 3. NO PROGRAM ESTABLISHED BY THE COMMON RETIREMENT FUND PURSUANT TO
31 PARAGRAPH (A) OF SUBDIVISION ONE OF THIS SECTION SHALL BE DEEMED TO
32 PROVIDE FINANCIAL GUARANTEE INSURANCE AS DEFINED IN PARAGRAPH ONE OF
33 SUBSECTION (A) OF SECTION SIX THOUSAND NINE HUNDRED ONE OF THE INSURANCE
34 LAW.

35 4. ANY PROGRAM ESTABLISHED PURSUANT TO PARAGRAPH (A) OF SUBDIVISION
36 ONE OF THIS SECTION SHALL ONLY ENHANCE OBLIGATIONS THAT THE COMMON
37 RETIREMENT FUND WOULD BE AUTHORIZED TO PURCHASE DIRECTLY, PROVIDED,
38 HOWEVER, THAT THE PERCENTAGE LIMITATIONS CONTAINED IN PARAGRAPH (B) OF
39 SUBDIVISION ONE-A OF SECTION ONE HUNDRED SEVENTY-SEVEN OF THIS CHAPTER
40 SHALL NOT APPLY TO INVESTMENTS MADE PURSUANT TO THIS SECTION AND THE
41 PERCENTAGE LIMITATIONS CONTAINED IN PARAGRAPH (A) OF SUBDIVISION NINE OF
42 SECTION ONE HUNDRED SEVENTY-SEVEN OF THIS CHAPTER SHALL APPLY TO INVEST-
43 MENTS ENHANCING OBLIGATIONS THAT WOULD ONLY BE ELIGIBLE FOR PURCHASE
44 PURSUANT TO SUBDIVISION NINE OF SECTION ONE HUNDRED SEVENTY-SEVEN OF
45 THIS CHAPTER.

46 5. THE AGGREGATE OUTSTANDING BALANCE OF OBLIGATIONS ENHANCED PURSUANT
47 TO PARAGRAPH (A) OF SUBDIVISION ONE OF THIS SECTION SHALL NOT EXCEED TEN
48 PERCENT OF THE ASSETS OF THE COMMON RETIREMENT FUND; AND THE AGGREGATE
49 OUTSTANDING BALANCE OF OBLIGATIONS ENHANCED FOR A SINGLE ISSUER SHALL
50 NOT EXCEED TWO PERCENT OF THE ASSETS OF THE COMMON RETIREMENT FUND.

51 6. THE AGGREGATE OF ALL INVESTMENTS PURSUANT TO PARAGRAPH (B) OF
52 SUBDIVISION ONE OF THIS SECTION SHALL NOT EXCEED FIVE PERCENT OF THE
53 ASSETS OF THE COMMON RETIREMENT FUND, AND THE MAXIMUM LIABILITY OF THE

1 COMMON RETIREMENT FUND AS A RESULT OF ITS INVESTMENT IN ANY MONOLINE
2 INSURER SHALL NOT EXCEED THE DOLLAR AMOUNT OF SUCH INVESTMENT.

3 S 2. Section 177 of the retirement and social security law is amended
4 by adding a new subdivision 8-a to read as follows:

5 8-A. IN-STATE PRIVATE EQUITY INVESTMENTS IN PARTNERSHIPS, CORPO-
6 RATIONS, TRUSTS OR LIMITED LIABILITY COMPANIES ORGANIZED ON A FOR-PROFIT
7 BASIS. SUCH INVESTMENTS, IN AN AMOUNT NOT TO EXCEED A TOTAL OF ONE
8 BILLION FIVE HUNDRED MILLION DOLLARS, MAY BE AT ANY STAGE OF DEVELOPMENT
9 OF SUCH PARTNERSHIPS, CORPORATIONS, TRUSTS OR LIMITED LIABILITY COMPA-
10 NIES. SUCH IN-STATE PRIVATE EQUITY INVESTMENTS SHALL HAVE:

11 (A) AN INVESTMENT STRATEGY DESIGNED TO PROVIDE RETURNS CONSISTENT WITH
12 SIMILAR, NON-NEW YORK FOCUSED INVESTMENTS;

13 (B) A COHERENT INVESTMENT STRATEGY CONSISTENT WITH THE BUSINESS ENVI-
14 RONMENT;

15 (C) AN ABILITY TO RAISE CAPITAL FROM OTHER SOURCES; AND

16 (D) AN INVESTMENT STRATEGY DESIGNED TO RESULT IN BUSINESS PRESENCE IN
17 THIS STATE.

18 S 3. Section 177 of the retirement and social security law is amended
19 by adding a new subdivision 8-b to read as follows:

20 8-B. REAL ASSETS, IN AN AMOUNT NOT TO EXCEED A TOTAL OF ONE BILLION
21 DOLLARS, WHICH, FOR THE PURPOSES OF THIS SECTION, SHALL INCLUDE, BUT NOT
22 BE LIMITED TO, ACTUAL, TANGIBLE ASSETS SUCH AS COMMODITIES, NATURAL
23 RESOURCES AND TIMBER.

24 S 4. This act shall take effect immediately.

25

PART G

26 Section 1. Subdivisions 2 and 3 of section 63-c of the executive law,
27 as added by chapter 310 of the laws of 1962, are amended to read as
28 follows:

29 2. Upon the commencement by the state of any action, suit or other
30 judicial proceeding, as prescribed in this section, the entire cause of
31 action, including the title to the money, funds, credits, or other prop-
32 erty, with respect to which the suit or action is brought, and to the
33 damages or other compensation recoverable for the obtaining, receipt,
34 payment, conversion or disposition thereof, if not previously so vested,
35 is transferred to and becomes absolutely vested in the state. PROVIDED,
36 HOWEVER, THE PROVISIONS OF THIS SUBDIVISION SHALL NOT APPLY TO ANY
37 MONEY, FUNDS, CREDITS, OR OTHER PROPERTY, WITH RESPECT TO WHICH THE SUIT
38 OR ACTION IS BROUGHT, NOR TO THE DAMAGES OR OTHER COMPENSATION RECOVERA-
39 BLE FOR THE OBTAINING, RECEIPT, PAYMENT, CONVERSION OR DISPOSITION THER-
40 EOF IF SUCH ACTION, SUIT OR OTHER JUDICIAL PROCEEDING IS COMMENCED ON
41 BEHALF OF THE COMMON RETIREMENT FUND, ESTABLISHED PURSUANT TO SECTION
42 FOUR HUNDRED TWENTY-TWO OF THE RETIREMENT AND SOCIAL SECURITY LAW, OR IN
43 THE EVENT ANY MONEYS RECOVERED BY SETTLEMENT OR JUDGMENT ARE THE RESULT
44 OF CIVIL PENALTIES OR FORFEITURE ASSESSED TO BENEFIT THE COMMON RETIRE-
45 MENT FUND AND ITS MEMBERS AS VICTIMS OF SECURITIES FRAUD. TITLE TO SUCH
46 MONEY, FUNDS, CREDITS, OR OTHER PROPERTY AS WELL AS DAMAGES, FORFEITURES
47 AND CIVIL PENALTIES SHALL BE TRANSFERRED TO AND BECOME ABSOLUTELY VESTED
48 IN THE COMMON RETIREMENT FUND.

49 3. Any court of the state in which an action is brought by the state,
50 as prescribed in this section, may direct, by the final judgment there-
51 in, or by a subsequent order, that any money, funds, damages, credits,
52 or other property, recovered by or awarded to the plaintiff therein,
53 which, if that action had not been brought, would not have vested in the
54 state, be disposed of, as justice requires, in such a manner as to rein-

1 state the lawful custody thereof, or to apply the same or the proceeds
2 thereof to the objects and purposes for which they were authorized to be
3 raised or procured; after paying into the state treasury out of the
4 proceeds of the recovery all expenses incurred by the state in the
5 action; PROVIDED, HOWEVER, NO EXPENSES INCURRED BY THE STATE IN THE
6 ACTION MAY BE DEDUCTED FROM ANY MONEYS DUE AND OWING THE COMMON RETIRE-
7 MENT FUND.

8 S 2. This act shall take effect immediately and shall apply to actions
9 commenced on and after January 1, 2007.

10 S 3. Severability clause. If any clause, sentence, paragraph, subdivi-
11 sion, section or part of this act shall be adjudged by any court of
12 competent jurisdiction to be invalid, such judgment shall not affect,
13 impair, or invalidate the remainder thereof, but shall be confined in
14 its operation to the clause, sentence, paragraph, subdivision, section
15 or part thereof directly involved in the controversy in which such judg-
16 ment shall have been rendered. It is hereby declared to be the intent of
17 the legislature that this act would have been enacted even if such
18 invalid provisions had not been included herein.

19 S 4. This act shall take effect immediately provided, however, that
20 the applicable effective dates of Parts A through G of this act shall be
21 as specifically set forth in the last section of such Parts.

FISCAL NOTE.--Pursuant to Legislative Law, Section 50:

This bill enacts the New York State Common Retirement Fund Reformation Act. It would make technical corrections, prohibit the use of placement agents, amend the adoption of a code of conduct by the state comptroller, enact the comptroller campaign finance reform act, authorize the state comptroller to establish a timeframe and frequency for reporting information, establish the variable interest rate bond liquidity and monoline insurer investments program; affect the investment of moneys in in-state private equities; and real assets, and create a fair fund program for the collection of civil penalties assessed upon perpetrators of frauds against the common retirement fund.

If this bill is enacted, we assume that there would be small investment changes as a result of enactment. Any increases or decreases in investment earnings will result in decreases or increases, respectively, in employer contributions. Annual changes in assets will be shared by all employers and will be spread over the future working lifetimes of active members.

This estimate, dated June 15, 2009, and intended for use only during the 2009 Legislative Session, is Fiscal Note Number 2009-270 prepared by the Actuary for the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System.