

S T A T E O F N E W Y O R K

9948--B

I N A S S E M B L Y

February 17, 2010

Introduced by M. of A. LANCMAN, SKARTADOS, JACOBS, MAISEL, KOON, CASTRO, TITONE, KAVANAGH, JAFFEE, PEOPLES-STOKES, BRODSKY, POWELL, LIFTON, GIBSON, GALEF, ESPAILLAT, COLTON, ROSENTHAL -- Multi-Sponsored by -- M. of A. BRENNAN, GLICK, PHEFFER, ROBINSON, THIELE -- read once and referred to the Committee on Election Law -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

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 political contributions by corporations

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 "corporate
2 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

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

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

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

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

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

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

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

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

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

48 (A) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
49 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
50 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY
51 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
52 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
53 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
54 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
55 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
56 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-

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

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

(B) NOTWITHSTANDING ANY OTHER LIMITS ON NOT-FOR-PROFIT CORPORATION CONTRIBUTIONS TO, OR EXPENDITURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR PARTY OFFICE, POLITICAL COMMITTEES, PARTY COMMITTEES OR BALLOT REFERENDUM, BEFORE A NOT-FOR-PROFIT CORPORATION OR ANY OF ITS SUBSIDIARIES MAY MAKE A CONTRIBUTION OR INDEPENDENT EXPENDITURE, THE NOT-FOR-PROFIT CORPORATION SHALL, AT LEAST ANNUALLY, OBTAIN THE PRIOR AUTHORIZATION BY VOTE OF A MAJORITY OF THE MEMBERS VOTING ON SUCH RESOLUTION TO MAKE CONTRIBUTIONS OR INDEPENDENT EXPENDITURES UP TO A STATED AGGREGATE ANNUAL AMOUNT.

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

- (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
- (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
- (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDEPENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLITICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR REGULATION SUPPORTED OR OPPOSED; AND
- (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT EXPENDITURE.

(D) THE SECRETARY OF STATE SHALL POST EACH NOT-FOR-PROFIT CORPORATION'S ANNUAL DISCLOSURE ON THE WEBSITE MAINTAINED BY THE SECRETARY OF STATE.

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

S 5. The railroad law is amended by adding a new section 35 to read as 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 ANYTHING OF VALUE PROVIDED TO A POLI-
5 TICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY CONSTI-
6 TUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE DEFINED IN
7 ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPOSITION TO A
8 CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL PARTY, ELEC-
9 TIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE GENERAL PUBLIC
10 INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT OFFICIAL,
11 CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY REGARDING PEND-
12 ING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR REGULATION;

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

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

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

46 (A) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
47 (B) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
48 (C) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
49 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
50 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
51 REGULATION SUPPORTED OR OPPOSED; AND
52 (D) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
53 EXPENDITURE.

54 4. THE SECRETARY OF STATE SHALL POST EACH RAILROAD CORPORATION'S ANNU-
55 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-

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

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

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

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

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

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

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

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

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

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

(A) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
(B) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;

(C) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDEPENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLITICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR REGULATION SUPPORTED OR OPPOSED; AND

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

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

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

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

S 1321. POLITICAL CONTRIBUTIONS.

(A) DEFINITIONS. WHEN USED IN THIS SECTION:

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

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

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

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

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

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

(3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDEPENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLITICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR REGULATION SUPPORTED OR OPPOSED; AND

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

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

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

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

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

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

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

(B) NOTWITHSTANDING ANY OTHER LIMITS ON CONTRIBUTIONS TO, OR EXPENDITURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR PARTY OFFICE, POLITICAL COMMITTEES, PARTY COMMITTEES OR BALLOT REFERENDUM, BEFORE A LIMITED 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 August 1, 2010.