

7083

I N S E N A T E

March 11, 2010

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

AN ACT to amend the business corporation law, the cooperative corporations law, the not-for-profit corporation law, the railroad law, the transportation corporations law, the banking law, the religious corporations 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  
4 521 to read as follows:

5 S 521. POLITICAL CONTRIBUTIONS.

6 (A) NOTWITHSTANDING ANY OTHER LIMITS ON CORPORATE CONTRIBUTIONS TO OR  
7 EXPENDITURES ON BEHALF OF POLITICAL CANDIDATES, POLITICAL COMMITTEES,  
8 PARTY COMMITTEES OR BALLOT REFERENDUMS, BEFORE A CORPORATION MAY MAKE A  
9 FINANCIAL CONTRIBUTION TO A POLITICAL CANDIDATE, POLITICAL COMMITTEE OR  
10 PARTY COMMITTEE OR IN SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT  
11 REFERENDUM, THE CORPORATION SHALL AT LEAST ANNUALLY OBTAIN THE PRIOR  
12 AUTHORIZATION OF A MAJORITY OF THE SHAREHOLDERS OF SUCH CORPORATION TO  
13 MAKE FINANCIAL CONTRIBUTIONS DIRECTLY TO OR IN SUPPORT OR OPPOSITION TO  
14 POLITICAL CANDIDATES, OR POLITICAL COMMITTEES, OR PARTY COMMITTEES, OR  
15 BALLOT REFERENDUMS, UP TO A STATED AGGREGATE ANNUAL AMOUNT.

16 (B) ANY CORPORATION MAKING A FINANCIAL CONTRIBUTION TO A POLITICAL  
17 CANDIDATE, POLITICAL COMMITTEE OR PARTY COMMITTEE OR IN SUPPORT OF OR  
18 OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL AT LEAST ANNUALLY  
19 DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY OF STATE AN  
20 ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES, INCLUDING (I) THE IDEN-  
21 TITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY COMMITTEE OR ORGANIZA-  
22 TION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED, AND (II) THE BUSINESS  
23 RATIONALE FOR EACH SUCH CONTRIBUTION.

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

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

3 S 78. POLITICAL CONTRIBUTIONS. 1. NOTWITHSTANDING ANY OTHER LIMITS ON  
4 CORPORATE CONTRIBUTIONS TO OR EXPENDITURES ON BEHALF OF POLITICAL CANDI-  
5 DATES, POLITICAL COMMITTEES, PARTY COMMITTEES, OR BALLOT REFERENDUMS,  
6 BEFORE A COOPERATIVE CORPORATION MAY MAKE A FINANCIAL CONTRIBUTION TO A  
7 CANDIDATE OR PARTY COMMITTEE OR IN SUPPORT OF OR OPPOSITION TO A CANDI-  
8 DATE, POLITICAL COMMITTEE, OR BALLOT REFERENDUM, THE COOPERATIVE CORPO-  
9 RATION SHALL AT LEAST ANNUALLY OBTAIN THE PRIOR AUTHORIZATION OF A  
10 MAJORITY OF THE SHAREHOLDERS OR MEMBERS OF SUCH CORPORATION TO MAKE  
11 FINANCIAL CONTRIBUTIONS DIRECTLY TO OR IN SUPPORT OR OPPOSITION TO POLI-  
12 TICAL CANDIDATES, OR POLITICAL COMMITTEES, OR PARTY COMMITTEES, OR  
13 BALLOT REFERENDUMS, UP TO A STATED AGGREGATE ANNUAL AMOUNT.

14 2. ANY COOPERATIVE CORPORATION MAKING A FINANCIAL CONTRIBUTION TO A  
15 POLITICAL CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN  
16 SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL AT  
17 LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY  
18 OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES, INCLUDING  
19 (A) THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY COMMITTEE  
20 OR ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED, AND (B)  
21 THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION.

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

24 S 523. POLITICAL CONTRIBUTIONS.

25 (A) NOTWITHSTANDING ANY OTHER LIMITS ON CORPORATE CONTRIBUTIONS TO OR  
26 EXPENDITURES ON BEHALF OF POLITICAL CANDIDATES, POLITICAL COMMITTEES,  
27 PARTY COMMITTEES, OR BALLOT REFERENDUMS, BEFORE A NOT-FOR-PROFIT CORPO-  
28 RATION MAY MAKE A FINANCIAL CONTRIBUTION TO A CANDIDATE, POLITICAL  
29 COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT OF OR OPPOSITION TO A CANDI-  
30 DATE OR BALLOT REFERENDUM, THE NOT-FOR-PROFIT CORPORATION SHALL AT LEAST  
31 ANNUALLY OBTAIN THE PRIOR AUTHORIZATION OF A MAJORITY OF THE SHAREHOLD-  
32 ERS OR MEMBERS OF SUCH CORPORATION TO MAKE FINANCIAL CONTRIBUTIONS  
33 DIRECTLY TO OR IN SUPPORT OR OPPOSITION TO POLITICAL CANDIDATES, OR  
34 POLITICAL COMMITTEES, OR PARTY COMMITTEES, OR BALLOT REFERENDUMS, UP TO  
35 A STATED AGGREGATE ANNUAL AMOUNT.

36 (B) ANY NOT-FOR-PROFIT CORPORATION MAKING A FINANCIAL CONTRIBUTION TO  
37 A POLITICAL CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN  
38 SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL AT  
39 LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS OR MEMBERS AND FILE WITH THE  
40 SECRETARY OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES,  
41 INCLUDING (I) THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY  
42 COMMITTEE OR ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED,  
43 AND (II) THE CORPORATE RATIONALE FOR EACH SUCH CONTRIBUTION.

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

46 S 35. POLITICAL CONTRIBUTIONS. 1. NOTWITHSTANDING ANY OTHER LIMITS  
47 ON CORPORATE CONTRIBUTIONS TO OR EXPENDITURES ON BEHALF OF POLITICAL  
48 CANDIDATES, POLITICAL COMMITTEES, PARTY COMMITTEES, OR BALLOT REFEREN-  
49 DUMS, BEFORE A RAILROAD CORPORATION MAY MAKE A FINANCIAL CONTRIBUTION TO  
50 A CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT OF OR  
51 OPPOSITION TO A CANDIDATE, POLITICAL COMMITTEE, OR BALLOT REFERENDUM,  
52 THE RAILROAD CORPORATION SHALL AT LEAST ANNUALLY OBTAIN THE PRIOR  
53 AUTHORIZATION OF A MAJORITY OF THE SHAREHOLDERS OR MEMBERS OF SUCH  
54 CORPORATION TO MAKE FINANCIAL CONTRIBUTIONS DIRECTLY TO OR IN SUPPORT OR  
55 OPPOSITION TO POLITICAL CANDIDATES, OR POLITICAL COMMITTEES, OR PARTY

1 COMMITTEES, OR BALLOT REFERENDUMS, UP TO A STATED AGGREGATE ANNUAL  
2 AMOUNT.

3 2. ANY RAILROAD CORPORATION MAKING A FINANCIAL CONTRIBUTION TO A POLI-  
4 TICAL CANDIDATE, POLITICAL COMMITTEE OR PARTY COMMITTEE OR IN SUPPORT OF  
5 OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL AT LEAST ANNUAL-  
6 LY DISCLOSE TO ITS SHAREHOLDERS OR MEMBERS AND FILE WITH THE SECRETARY  
7 OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES, INCLUDING  
8 (A) THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY COMMITTEE  
9 OR ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED, AND (B)  
10 THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION.

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

13 S 7. POLITICAL CONTRIBUTIONS. (A) NOTWITHSTANDING ANY OTHER LIMITS ON  
14 CORPORATE CONTRIBUTIONS TO OR EXPENDITURES ON BEHALF OF POLITICAL CANDI-  
15 DATES, POLITICAL COMMITTEES, PARTY COMMITTEES, OR BALLOT REFERENDUMS,  
16 BEFORE A TRANSPORTATION CORPORATION MAY MAKE A FINANCIAL CONTRIBUTION TO  
17 A CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT OF OR  
18 OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM, THE TRANSPORTATION  
19 CORPORATION SHALL AT LEAST ANNUALLY OBTAIN THE PRIOR AUTHORIZATION OF A  
20 MAJORITY OF THE SHAREHOLDERS OR MEMBERS OF SUCH CORPORATION TO MAKE  
21 FINANCIAL CONTRIBUTIONS DIRECTLY TO OR IN SUPPORT OR OPPOSITION TO POLI-  
22 TICAL CANDIDATES, OR POLITICAL COMMITTEES, OR PARTY COMMITTEES, OR  
23 BALLOT REFERENDUMS, UP TO A STATED AGGREGATE ANNUAL AMOUNT.

24 (B) ANY TRANSPORTATION CORPORATION MAKING A FINANCIAL CONTRIBUTION TO  
25 A POLITICAL CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN  
26 SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL AT  
27 LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS OR MEMBERS AND FILE WITH THE  
28 SECRETARY OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES,  
29 INCLUDING (I) THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY  
30 COMMITTEE OR ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED,  
31 AND (II) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION.

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

34 S 5017. POLITICAL CONTRIBUTIONS. 1. NOTWITHSTANDING ANY OTHER LIMITS  
35 ON CORPORATE CONTRIBUTIONS TO OR EXPENDITURES ON BEHALF OF POLITICAL  
36 CANDIDATES, POLITICAL COMMITTEES, PARTY COMMITTEES, OR BALLOT REFEREN-  
37 DUMS, BEFORE A CORPORATION MAY MAKE A FINANCIAL CONTRIBUTION TO A CANDI-  
38 DATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT OF OR OPPO-  
39 SITION TO A CANDIDATE OR BALLOT REFERENDUM, THE CORPORATION SHALL AT  
40 LEAST ANNUALLY OBTAIN THE PRIOR AUTHORIZATION OF A MAJORITY OF THE  
41 SHAREHOLDERS OR MEMBERS OF SUCH CORPORATION TO MAKE FINANCIAL CONTRIB-  
42 UCTIONS DIRECTLY TO OR IN SUPPORT OR OPPOSITION TO POLITICAL CANDIDATES,  
43 OR POLITICAL COMMITTEES, OR PARTY COMMITTEES, OR BALLOT REFERENDUMS, UP  
44 TO A STATED AGGREGATE ANNUAL AMOUNT.

45 2. ANY CORPORATION MAKING A FINANCIAL CONTRIBUTION TO A POLITICAL  
46 CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT OF OR  
47 OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL AT LEAST ANNUALLY  
48 DISCLOSE TO ITS SHAREHOLDERS OR MEMBERS AND FILE WITH THE SECRETARY OF  
49 STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES, INCLUDING (A)  
50 THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY COMMITTEE OR  
51 ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED, AND (B) THE  
52 BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION.

53 S 8. The religious corporations law is amended by adding a new section  
54 28 to read as follows:

55 S 28. POLITICAL CONTRIBUTIONS. 1. NOTWITHSTANDING ANY OTHER LIMITS  
56 ON CORPORATE CONTRIBUTIONS TO OR EXPENDITURES ON BEHALF OF POLITICAL

1 CANDIDATES, POLITICAL COMMITTEES, PARTY COMMITTEES, OR BALLOT REFEREN-  
2 DUMS, BEFORE A RELIGIOUS CORPORATION MAY MAKE A FINANCIAL CONTRIBUTION  
3 TO A CANDIDATE OR PARTY COMMITTEE OR IN SUPPORT OF OR OPPOSITION TO A  
4 CANDIDATE, POLITICAL COMMITTEE, OR BALLOT REFERENDUM, THE RELIGIOUS  
5 CORPORATION SHALL AT LEAST ANNUALLY OBTAIN THE PRIOR AUTHORIZATION OF A  
6 MAJORITY OF THE TRUSTEES OR MEMBERS OF SUCH CORPORATION TO MAKE FINAN-  
7 CIAL CONTRIBUTIONS DIRECTLY TO OR IN SUPPORT OR OPPOSITION TO POLITICAL  
8 CANDIDATES, OR POLITICAL COMMITTEES, OR PARTY COMMITTEES, OR BALLOT  
9 REFERENDUMS, UP TO A STATED AGGREGATE ANNUAL AMOUNT.

10 2. ANY RELIGIOUS CORPORATION MAKING A FINANCIAL CONTRIBUTION TO A  
11 POLITICAL CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN  
12 SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL AT  
13 LEAST ANNUALLY DISCLOSE TO ITS TRUSTEES OR MEMBERS AND FILE WITH THE  
14 SECRETARY OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES,  
15 INCLUDING (A) THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY  
16 COMMITTEE OR ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED,  
17 AND (B) THE CORPORATE RATIONALE FOR EACH SUCH CONTRIBUTION.

18 S 9. The business corporation law is amended by adding a new section  
19 1321 to read as follows:

20 S 1321. POLITICAL CONTRIBUTIONS.

21 (A) NOTWITHSTANDING ANY OTHER LIMITS ON CORPORATE CONTRIBUTIONS TO OR  
22 EXPENDITURES ON BEHALF OF POLITICAL CANDIDATES, POLITICAL COMMITTEES,  
23 PARTY COMMITTEES, OR BALLOT REFERENDUMS, BEFORE A FOREIGN CORPORATION  
24 MAY MAKE A FINANCIAL CONTRIBUTION TO A POLITICAL CANDIDATE, POLITICAL  
25 COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT OF OR OPPOSITION TO A CANDI-  
26 DATE OR BALLOT REFERENDUM IN NEW YORK, THE FOREIGN CORPORATION SHALL AT  
27 LEAST ANNUALLY OBTAIN THE PRIOR AUTHORIZATION OF A MAJORITY OF THE  
28 SHAREHOLDERS OF SUCH CORPORATION TO MAKE FINANCIAL CONTRIBUTIONS DIRECT-  
29 LY TO OR IN SUPPORT OR OPPOSITION TO POLITICAL CANDIDATES, OR POLITICAL  
30 COMMITTEES, OR PARTY COMMITTEES, OR BALLOT REFERENDUMS, UP TO A STATED  
31 AGGREGATE ANNUAL AMOUNT.

32 (B) ANY FOREIGN CORPORATION MAKING A FINANCIAL CONTRIBUTION TO A POLI-  
33 TICAL CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT  
34 OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM IN NEW YORK SHALL  
35 AT LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRE-  
36 TARY OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES, INCLUD-  
37 ING (I) THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY  
38 COMMITTEE OR ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED,  
39 AND (II) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION.

40 S 10. The limited liability company law is amended by adding a new  
41 section 510 to read as follows:

42 S 510. POLITICAL CONTRIBUTIONS. (A) NOTWITHSTANDING ANY OTHER LIMITS  
43 ON CORPORATE CONTRIBUTIONS TO OR EXPENDITURES ON BEHALF OF POLITICAL  
44 CANDIDATES, POLITICAL COMMITTEES, PARTY COMMITTEES, OR BALLOT REFEREN-  
45 DUMS, BEFORE A LIMITED LIABILITY COMPANY MAY MAKE A FINANCIAL CONTRIB-  
46 UTION TO A POLITICAL CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE  
47 OR IN SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM, THE  
48 LIMITED LIABILITY COMPANY SHALL AT LEAST ANNUALLY OBTAIN THE PRIOR  
49 AUTHORIZATION OF A MAJORITY OF THE MEMBERS OR MANAGERS OF SUCH COMPANY  
50 TO MAKE FINANCIAL CONTRIBUTIONS DIRECTLY TO OR IN SUPPORT OR OPPOSITION  
51 TO POLITICAL CANDIDATES, OR POLITICAL COMMITTEES, OR PARTY COMMITTEES,  
52 OR BALLOT REFERENDUMS, UP TO A STATED AGGREGATE ANNUAL AMOUNT.

53 (B) ANY LIMITED LIABILITY COMPANY MAKING A FINANCIAL CONTRIBUTION TO A  
54 POLITICAL CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN  
55 SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL AT  
56 LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY

1 OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES, INCLUDING  
2 (I) THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY COMMITTEE  
3 OR ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED, AND (II)  
4 THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION.

5 S 11. The business corporation law is amended by adding a new section  
6 1517 to read as follows:

7 S 1517. POLITICAL CONTRIBUTIONS.

8 (A) NOTWITHSTANDING ANY OTHER LIMITS ON CORPORATE CONTRIBUTIONS TO OR  
9 EXPENDITURES ON BEHALF OF POLITICAL CANDIDATES, POLITICAL COMMITTEES,  
10 PARTY COMMITTEES, OR BALLOT REFERENDUMS, BEFORE A PROFESSIONAL SERVICE  
11 CORPORATION MAY MAKE A FINANCIAL CONTRIBUTION TO A POLITICAL CANDIDATE,  
12 POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT OF OR OPPOSITION  
13 TO A CANDIDATE OR BALLOT REFERENDUM, THE PROFESSIONAL SERVICE CORPO-  
14 RATION SHALL AT LEAST ANNUALLY OBTAIN THE PRIOR AUTHORIZATION OF A  
15 MAJORITY OF THE SHAREHOLDERS OF SUCH CORPORATION TO MAKE FINANCIAL  
16 CONTRIBUTIONS DIRECTLY TO OR IN SUPPORT OR OPPOSITION TO POLITICAL  
17 CANDIDATES, OR POLITICAL COMMITTEES, OR PARTY COMMITTEES, OR BALLOT  
18 REFERENDUMS, UP TO A STATED AGGREGATE ANNUAL AMOUNT.

19 (B) ANY PROFESSIONAL SERVICE CORPORATION MAKING A FINANCIAL CONTRIB-  
20 UTION TO A POLITICAL CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE  
21 OR IN SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM SHALL  
22 AT LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRE-  
23 TARY OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR SUCH PURPOSES, INCLUD-  
24 ING (I) THE IDENTITY OF ANY CANDIDATE, POLITICAL COMMITTEE, PARTY  
25 COMMITTEE OR ORGANIZATION RECEIVING SUCH FUNDS AND THE AMOUNT RECEIVED,  
26 AND (II) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION.

27 S 12. The business corporation law is amended by adding a new section  
28 1534 to read as follows:

29 S 1534. POLITICAL CONTRIBUTIONS.

30 (A) NOTWITHSTANDING ANY OTHER LIMITS ON CORPORATE CONTRIBUTIONS TO OR  
31 EXPENDITURES ON BEHALF OF POLITICAL CANDIDATES, POLITICAL COMMITTEES,  
32 PARTY COMMITTEES, OR BALLOT REFERENDUMS, BEFORE A FOREIGN PROFESSIONAL  
33 SERVICE CORPORATION MAY MAKE A FINANCIAL CONTRIBUTION TO A POLITICAL  
34 CANDIDATE, POLITICAL COMMITTEE, OR PARTY COMMITTEE OR IN SUPPORT OF OR  
35 OPPOSITION TO A CANDIDATE OR BALLOT REFERENDUM IN NEW YORK, THE FOREIGN  
36 PROFESSIONAL SERVICE CORPORATION AT LEAST ANNUALLY SHALL OBTAIN THE  
37 PRIOR AUTHORIZATION OF A MAJORITY OF THE SHAREHOLDERS OF SUCH CORPO-  
38 RATION TO MAKE FINANCIAL CONTRIBUTIONS DIRECTLY TO OR IN SUPPORT OR  
39 OPPOSITION TO POLITICAL CANDIDATES, POLITICAL COMMITTEES, PARTY COMMIT-  
40 TEES, OR BALLOT REFERENDUMS, UP TO A STATED AGGREGATE ANNUAL AMOUNT.

41 (B) ANY FOREIGN PROFESSIONAL SERVICE CORPORATION MAKING A FINANCIAL  
42 CONTRIBUTION TO A POLITICAL CANDIDATE, POLITICAL COMMITTEE OR PARTY  
43 COMMITTEE OR IN SUPPORT OF OR OPPOSITION TO A CANDIDATE OR BALLOT REFER-  
44 ENDUM IN NEW YORK SHALL AT LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS  
45 AND FILE WITH THE SECRETARY OF STATE AN ACCOUNTING OF ITS FUNDS USED FOR  
46 SUCH PURPOSES, INCLUDING (I) THE IDENTITY OF ANY CANDIDATE, POLITICAL  
47 COMMITTEE, PARTY COMMITTEE OR ORGANIZATION RECEIVING SUCH FUNDS AND THE  
48 AMOUNT RECEIVED, AND (II) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIB-  
49 UTION.

50 S 13. This act shall take effect immediately.