

7083--A

I N S E N A T E

March 11, 2010

Introduced by Sens. SQUADRON, ADDABBO, KRUEGER, PERKINS, SERRANO -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions -- reported favorably from said committee and committed to the Committee on Codes -- committee discharged, bill amended, 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
20 VIA BROADCAST, CABLE OR SATELLITE OR A WRITTEN COMMUNICATION TO A GENER-
21 AL PUBLIC AUDIENCE VIA ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS,

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

LBD15801-14-0

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

48 S 523. POLITICAL CONTRIBUTIONS.

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

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

1 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
2 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
3 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
4 REGULATION;

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

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

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

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

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

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

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

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

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

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

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

1 (A) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
2 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANYTHING OF VALUE PROVIDED TO A POLI-
3 TICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY CONSTI-
4 TUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE DEFINED IN
5 ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPOSITION TO A
6 CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL PARTY, ELEC-
7 TIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE GENERAL PUBLIC
8 INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT OFFICIAL,
9 CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY REGARDING PEND-
10 ING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR REGULATION;

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

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

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

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

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

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

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

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

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

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

3 S 7. POLITICAL CONTRIBUTIONS. (A) DEFINITIONS. WHEN USED IN THIS
4 SECTION:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 S 8. The business corporation law is amended by adding a new section
12 1321 to read as follows:

13 S 1321. POLITICAL CONTRIBUTIONS.

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

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

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

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

55 (C) ANY FOREIGN CORPORATION, EITHER BY ITSELF OR ITS SUBSIDIARIES,
56 MAKING A CONTRIBUTION OR INDEPENDENT EXPENDITURE IN NEW YORK SHALL AT

1 LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY
2 OF STATE AN ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES
3 USED FOR SUCH PURPOSES, INCLUDING:

- 4 (1) THE DATE OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
- 5 (2) THE AMOUNT OF THE CONTRIBUTION OR INDEPENDENT EXPENDITURE;
- 6 (3) THE IDENTITY OF THE RECIPIENT OF THE CONTRIBUTION, OR IF AN INDE-
7 PENDENT EXPENDITURE, THE IDENTITY OF THE CANDIDATE, REFERENDUM, POLI-
8 TICAL PARTY, PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
9 REGULATION SUPPORTED OR OPPOSED; AND
- 10 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
11 EXPENDITURE.

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

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

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

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

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

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

51 (B) NOTWITHSTANDING ANY OTHER LIMITS ON CONTRIBUTIONS TO, OR EXPENDI-
52 TURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR PARTY OFFICE, POLITICAL
53 COMMITTEES, PARTY COMMITTEES OR BALLOT REFERENDUM, BEFORE A LIMITED
54 LIABILITY COMPANY MAY MAKE A CONTRIBUTION OR INDEPENDENT EXPENDITURE,
55 THE LIMITED LIABILITY COMPANY SHALL, AT LEAST ANNUALLY, OBTAIN THE PRIOR
56 AUTHORIZATION BY VOTE OF A MAJORITY OF THE MEMBERS OR MANAGERS CAST ON

1 SUCH RESOLUTION TO MAKE CONTRIBUTIONS OR INDEPENDENT EXPENDITURES UP TO
2 A STATED AGGREGATE ANNUAL AMOUNT.

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

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

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

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

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

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

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

20 S 10. The business corporation law is amended by adding a new section
21 1517 to read as follows:

22 S 1517. POLITICAL CONTRIBUTIONS.

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

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

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

55 (B) NOTWITHSTANDING ANY OTHER LIMITS ON PROFESSIONAL SERVICE CORPO-
56 RATION CONTRIBUTIONS TO, OR EXPENDITURES ON BEHALF OF, CANDIDATES FOR

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

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

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

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

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

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

26 S 11. The business corporation law is amended by adding a new section
27 1534 to read as follows:

28 S 1534. POLITICAL CONTRIBUTIONS.

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

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

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

1 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
2 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
3 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
4 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

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

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

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

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

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

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

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

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

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

40 S 13. This act shall take effect August 1, 2010.