

2011-2012 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 5, 2011

Introduced by M. of A. LANCMAN, JACOBS, MAISEL, CASTRO, TITONE, KAVANAGH, JAFFEE, PEOPLES-STOKES, LIFTON, GIBSON, GALEF, COLTON, ROSENTHAL -- Multi-Sponsored by -- M. of A. BRENNAN, GLICK, PHEFFER, ROBINSON, THIELE -- read once and referred to the Committee on Election Law

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

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

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

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

LBD01406-02-1

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

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

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

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

36 (3) 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 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
41 EXPENDITURE.

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

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

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

48 S 78. POLITICAL CONTRIBUTIONS. 1. DEFINITIONS. WHEN USED IN THIS
49 SECTION:

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

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

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

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

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

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

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

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

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

52 S 523. POLITICAL CONTRIBUTIONS.

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

54 (1) THE TERM "CONTRIBUTION" MEANS ANY GIFT, SUBSCRIPTION, OUTSTANDING
55 LOAN, ADVANCE, DEPOSIT OF MONEY OR ANY THING OF VALUE PROVIDED TO A
56 POLITICAL COMMITTEE, PARTY COMMITTEE, CONSTITUTED COMMITTEE OR DULY

1 CONSTITUTED SUBCOMMITTEE OF A COUNTY COMMITTEE, AS THOSE TERMS ARE
2 DEFINED IN ARTICLE FOURTEEN OF THE ELECTION LAW, IN SUPPORT OR OPPO-
3 SITION TO A CANDIDATE FOR PUBLIC OR PARTY OFFICE, REFERENDUM, POLITICAL
4 PARTY, ELECTIONEERING COMMUNICATION OR ANY COMMUNICATION MADE TO THE
5 GENERAL PUBLIC INTENDED TO ENCOURAGE THE PUBLIC TO CONTACT A GOVERNMENT
6 OFFICIAL, CANDIDATE FOR PUBLIC OR PARTY OFFICE OR POLITICAL PARTY
7 REGARDING PENDING LEGISLATION, PUBLIC POLICY OR A GOVERNMENT RULE OR
8 REGULATION;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (3) 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 (4) THE BUSINESS RATIONALE FOR EACH SUCH CONTRIBUTION OR INDEPENDENT
6 EXPENDITURE.

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

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

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

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

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

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

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

54 3. ANY CORPORATION, EITHER BY ITSELF OR ITS SUBSIDIARIES, MAKING A
55 CONTRIBUTION OR INDEPENDENT EXPENDITURE SHALL, AT LEAST ANNUALLY,
56 DISCLOSE TO ITS SHAREHOLDERS AND FILE WITH THE SECRETARY OF STATE AN

1 ACCOUNTING OF THE CONTRIBUTIONS AND INDEPENDENT EXPENDITURES USED FOR
2 SUCH PURPOSES, INCLUDING:

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

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

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

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

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

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

15 S 8. The business corporation law is amended by adding a new section
16 1321 to read as follows:

17 S 1321. POLITICAL CONTRIBUTIONS.

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

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

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

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

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

3 (C) ANY FOREIGN CORPORATION, EITHER BY ITSELF OR ITS SUBSIDIARIES,
4 MAKING A CONTRIBUTION OR INDEPENDENT EXPENDITURE IN NEW YORK SHALL AT
5 LEAST ANNUALLY DISCLOSE TO ITS SHAREHOLDERS 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 FOREIGN CORPORATION'S ANNU-
17 AL 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 9. The limited liability company law is amended by adding a new
21 section 510 to read as follows:

22 S 510. POLITICAL CONTRIBUTIONS. (A) DEFINITIONS. WHEN USED IN THIS
23 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 CONTRIBUTIONS TO, OR EXPENDI-
56 TURES ON BEHALF OF, CANDIDATES FOR PUBLIC OR PARTY OFFICE, POLITICAL

1 COMMITTEES, PARTY COMMITTEES OR BALLOT REFERENDUM, BEFORE A LIMITED
2 LIABILITY COMPANY MAY MAKE A CONTRIBUTION OR INDEPENDENT EXPENDITURE,
3 THE LIMITED LIABILITY COMPANY SHALL, AT LEAST ANNUALLY, OBTAIN THE PRIOR
4 AUTHORIZATION BY VOTE OF A MAJORITY OF THE MEMBERS OR MANAGERS CAST ON
5 SUCH RESOLUTION TO MAKE CONTRIBUTIONS OR INDEPENDENT EXPENDITURES UP TO
6 A STATED AGGREGATE ANNUAL AMOUNT.

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

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

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

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

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

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

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

24 S 10. The business corporation law is amended by adding a new section
25 1517 to read as follows:

26 S 1517. POLITICAL CONTRIBUTIONS.

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

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

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

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

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

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

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

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

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

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

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

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

30 S 11. The business corporation law is amended by adding a new section
31 1534 to read as follows:

32 S 1534. POLITICAL CONTRIBUTIONS.

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

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

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

1 SUCH COMMUNICATION. INDEPENDENT EXPENDITURES DO NOT INCLUDE: (I) A
2 COMMUNICATION APPEARING IN A WRITTEN NEWS STORY, COMMENTARY, OR EDITORI-
3 AL OR DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION,
4 CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR
5 CONTROLLED BY ANY POLITICAL PARTY, POLITICAL COMMITTEE OR CANDIDATE; OR
6 (II) A COMMUNICATION THAT CONSTITUTES A CANDIDATE DEBATE OR FORUM; OR
7 (III) A COMMUNICATION WHICH CONSTITUTES AN EXPENDITURE MADE BY AN ENTITY
8 REQUIRED TO REPORT SUCH EXPENDITURE WITH A BOARD OF ELECTIONS.

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

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

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

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

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

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

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

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

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

44 S 13. This act shall take effect August 1, 2011.