

STATE OF NEW YORK

8546

2017-2018 Regular Sessions

IN ASSEMBLY

July 10, 2017

Introduced by M. of A. KAVANAGH, GALEF -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the legislative law and the election law, in relation to disclosures required for lobbyists, and to amend the election law and the public officers law, in relation to campaign funds for personal use

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 "Lobbyist
2 Disclosure Campaign Fund Act".

3 § 2. Section 1-c of the legislative law is amended by adding a new
4 subdivision (x) to read as follows:

5 (x) The term "family member" shall mean any of the following, includ-
6 ing parents, stepparents, spouse, domestic partners, grandparents,
7 brothers, sisters, uncles, and aunts, whether of the whole blood or half
8 blood or by or through legal sanction.

9 § 3. Paragraph 5 of subdivision (b) of section 1-h of the legislative
10 law is amended by adding two new subparagraphs (vi) and (vii) to read as
11 follows:

12 (vi) the campaign contributions made, in any form, to any campaign or
13 political committee in New York state by the client by whom or on whose
14 behalf the lobbyist is retained, employed or designated, by the lobby-
15 ist, and by any employees of the lobbyist.

16 (vii) the amount of compensation paid and the names of any family
17 members of a public official to whom a lobbyist and the client by whom
18 or on whose behalf the lobbyist is retained, employed or designated has
19 paid compensation of more than five hundred dollars in the preceding
20 calendar year for personal employment or professional services.

21 § 4. Subdivision (b) of section 1-h of the legislative law is amended
22 by adding a new paragraph 6 to read as follows:

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

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1 (6) the name, address and telephone number of any public official with
2 whom the lobbyist has any business relationship.

3 § 5. Paragraph 5 of subdivision (b) of section 1-j of the legislative
4 law is amended by adding two new subparagraphs (vi) and (vii) to read as
5 follows:

6 (vi) the campaign contributions made, in any form, to any campaign or
7 political committee in New York state by the client by whom or on whose
8 behalf the lobbyist is retained, employed or designated, by the lobby-
9 ist, and by any employees of the lobbyist.

10 (vii) the amount of compensation paid and the names of any family
11 members of a public official to whom a lobbyist and the client by whom
12 or on whose behalf the lobbyist is retained, employed or designated has
13 paid compensation of more than five hundred dollars in the preceding
14 calendar year for personal employment or professional services.

15 § 6. Subdivision (b) of section 1-j of the legislative law is amended
16 by adding a new paragraph 7 to read as follows:

17 (7) the name, address and telephone number of any public official with
18 whom the lobbyist has any business relationship.

19 § 7. The election law is amended by adding three new sections 14-134,
20 14-136 and 14-138 to read as follows:

21 § 14-134. Lobbyist reporting and contribution limits. 1. Definitions.
22 The following definitions shall apply to this section:

23 a. "agent" means any person acting at the direction of or on behalf of
24 an individual or business entity;

25 b. "business entity" means a business corporation, professional
26 services corporation, limited liability company, partnership, limited
27 partnership, business trust, association or any other legal commercial
28 entity organized under the laws of this state or any other state or
29 foreign jurisdiction, including any subsidiary directly or indirectly
30 controlled by the business entity, and any political organization,
31 including but not limited to any political organization organized under
32 section 527 of the Internal Revenue Code, that is directly or indirectly
33 controlled by the business entity;

34 c. "immediate family" means any spouse or child of an individual or
35 any financially dependent relatives who reside in the individual's
36 household;

37 d. "housekeeping account" means an account maintained by a party
38 committee or constituted committee from which expenditures are made to
39 maintain a permanent headquarters and staff and carry on ordinary party
40 activities which are not for the express purpose of promoting the candi-
41 dacy of specific candidates;

42 e. "candidate for state office" means a candidate for the following
43 state offices: governor, lieutenant governor, attorney general, comp-
44 troller, senator, and member of the assembly;

45 f. "behested payments" means contributions or payments solicited by
46 state elected officials to be used for legislative, governmental or
47 charitable purposes, but not campaign purposes; and

48 g. "personal business transaction" means transactions for services
49 offered by the elected official in his or her capacity as a private
50 citizen to any member of the public.

51 2. The following persons and business entities who make a contribution
52 to a candidate for state office, a political committee working directly
53 or indirectly to aid or participate in such candidate's nomination or
54 election, a political committee established or controlled by such candi-
55 date, or a state or local committee of a political party, including a
56 housekeeping account, shall file reports as required by subdivision

1 three of this section with the state board of elections within seven
2 calendar days after the date of a contribution:

3 a. a lobbyist registered under section one-e of the legislative law,
4 including any person, organization, group of persons or business entity
5 that is so registered;

6 b. any person who owns more than ten percent of a business entity
7 described in paragraph a of this subdivision;

8 c. any person employed by an organization, group, or business entity
9 described in paragraph a of this subdivision who holds a senior manage-
10 ment position as defined by the commission on governmental ethics;

11 d. the immediate family member of a person who is described in para-
12 graph a, b or c of this subdivision; or

13 e. any political committee established or controlled by a person,
14 organization, group of persons or business entity described in para-
15 graphs a, b, c or d of this subdivision.

16 3. The board of elections shall prescribe forms and procedures for the
17 reporting required in subdivision two of this section which, at a mini-
18 mum, shall require electronic filing of the following information:

19 a. the name, address, employer and name of spouse of the person making
20 the contribution and the name of the spouse's employer;

21 b. the name of the candidate, political committee, or state or local
22 committee of a political party, including a housekeeping account,
23 receiving the contribution;

24 c. the amount and date of the contribution; and

25 d. if an organization, group of persons, or business entity is making
26 the contribution:

27 (i) the names and business addresses of all persons who own more than
28 ten percent of the organization, group or entity; or

29 (ii) the names and business addresses of all persons employed by the
30 organization, group, or business entity who hold a senior management
31 position as defined by the commission on governmental ethics.

32 4. Elected officials must report any behested payments they have
33 solicited if they total five thousand dollars or more per calendar year
34 from a single source within thirty days of the date the behested payment
35 is made on forms proscribed by the commission on governmental ethics.

36 5. The board of elections shall maintain completed forms and reports
37 described in subdivision two of this section for public inspection both
38 at the board of elections office and through the board of elections
39 electronic filing system for campaign finance disclosure (EFS).

40 6. It shall be unlawful for any person, organization, group of persons
41 or business entity described in paragraphs a, b, c, d and e of subdivi-
42 sion two of this section to:

43 a. make contributions to a candidate for state office, a political
44 committee working directly or indirectly to aid or participate in such
45 candidate's nomination or election, or a political committee established
46 or controlled by such candidate that exceed the following amounts per
47 election for the following offices:

48 (i) governor: five hundred dollars;

49 (ii) lieutenant governor: five hundred dollars;

50 (iii) attorney general: five hundred dollars;

51 (iv) comptroller: five hundred dollars;

52 (v) senator: three hundred fifty dollars; and

53 (vi) member of assembly: two hundred fifty dollars;

54 b. make contributions to:

55 (i) political committees working directly or indirectly to aid or
56 participate in the nomination or election of a candidate for the offices

1 described in subparagraphs (i), (ii), (iii), (iv), (v) and (vi) of para-
2 graph a of this subdivision, or other political committees established
3 or controlled by a candidate for the offices described in subparagraphs
4 (i), (ii), (iii), (iv), (v) and (vi) of paragraph a of this subdivision,
5 that in the aggregate exceed four thousand dollars per election; or

6 (ii) state or local committees of a political party, or any house-
7 keeping account, in an amount greater than one thousand dollars per
8 election, and in an aggregate to all state or local committees of poli-
9 tical parties in an aggregate that exceeds two thousand dollars per
10 election;

11 c. transmit a contribution on behalf of another to, or solicit a
12 contribution on behalf of:

13 (i) a candidate for any of the offices for which contributions are
14 limited under paragraph a of this subdivision;

15 (ii) any political committee working directly or indirectly to aid or
16 participate in the nomination or election of a candidate for office for
17 which their contributions are limited in paragraph a of this subdivi-
18 sion, or any other political committee established or controlled by a
19 candidate for the offices for which their contributions are limited
20 under paragraph a of this subdivision;

21 (iii) a state or local committee of a political party, including a
22 housekeeping account;

23 d. participate in any fund-raising activities for:

24 (i) a candidate for any of the offices for which contributions are
25 limited under paragraph a of this subdivision;

26 (ii) any political committee working directly or indirectly to aid or
27 participate in the nomination or election of a candidate for office for
28 which their contributions are limited in paragraph a of this subdivi-
29 sion, or any other political committee established or controlled by a
30 candidate for the offices for which their contributions are limited
31 under paragraph a of this subdivision;

32 (iii) a state or local committee of a political party, including a
33 housekeeping account;

34 e. serve as chairperson, treasurer, or any other officer of:

35 (i) any political committee working directly or indirectly to aid or
36 participate in the nomination or election of a candidate for office for
37 which their contributions are limited under paragraph a of this subdivi-
38 sion; or

39 (ii) any other political committee established or controlled by a
40 candidate for which their contributions are limited under paragraph a of
41 this subdivision;

42 f. conduct personal business transactions in an amount over two thou-
43 sand dollars in any calendar year with a public official holding the
44 offices for which their contributions are limited under paragraph a of
45 this subdivision;

46 g. deliver to any conduit or intermediary any contribution earmarked
47 for a particular candidate for the offices for which their contributions
48 are limited under paragraph a of this subdivision, or any committee
49 working directly or indirectly to aid or participate in such candidate's
50 nomination or election, or any other political committee established or
51 controlled by such candidate; or

52 h. knowingly take other steps to circumvent the restrictions in this
53 subsection.

54 7. No candidate for state office, committee working directly or indi-
55 rectly to aid or participate in such candidate's nomination or election,
56 or any other political committee established or controlled by such

1 candidate shall accept contributions from any person, organization,
2 group of persons, or business entity described in paragraph a, b, c, d
3 or e of subdivision two of this section that exceed the following
4 amounts per election for the following offices:

- 5 a. governor: five hundred dollars;
- 6 b. lieutenant governor: five hundred dollars;
- 7 c. comptroller: five hundred dollars;
- 8 d. attorney general: five hundred dollars;
- 9 e. senator: three hundred fifty dollars; and
- 10 f. member of assembly: two hundred fifty dollars.

11 8. No state or local political party committees, including any house-
12 keeping account, shall accept contributions in an amount greater than
13 one thousand dollars per election from any person, organization, group
14 of persons or business entity described in paragraph a, b, c, d or e of
15 subdivision two of this section.

16 9. No public official holding any of the offices listed in paragraph a
17 of subdivision six of this section shall conduct personal business tran-
18 sactions in an amount over two thousand dollars in any calendar year
19 with any person, organization, group of persons or business entity
20 described in paragraph a, b, c, d or e of subdivision two of this
21 section.

22 10. This section shall not prohibit any person from informing any
23 other person of a position taken by a public official or a candidate for
24 public office.

25 11. The provisions of subdivisions two and six of this section shall
26 not apply to the campaign of any person described in paragraph a, b, c
27 or d of subdivision two of this section who is a candidate for any of
28 those offices listed in paragraph a of subdivision six of this section.

29 § 14-136. Government contractor reporting and contribution limits. 1.
30 Definitions. The following definitions shall apply to this section:

31 a. "agent" means any person acting at the direction of or on behalf of
32 an individual or business entity;

33 b. "business entity" means a business corporation, professional
34 services corporation, limited liability company, partnership, limited
35 partnership, business trust, association or any other legal commercial
36 entity organized under the laws of this state or any other state or
37 foreign jurisdiction, including any subsidiary directly or indirectly
38 controlled by the business entity, and any political organization,
39 including but not limited to any political organization organized under
40 section 527 of the Internal Revenue Code, that is directly or indirectly
41 controlled by the business entity;

42 c. "immediate family" means any spouse or child of an individual or
43 any financially dependent relatives who reside in the individual's
44 household;

45 d. "housekeeping account" means an account maintained by a party
46 committee or constituted committee from which expenditures are made to
47 maintain a permanent headquarters and staff and carry on ordinary party
48 activities which are not for the express purpose of promoting the candi-
49 dacy of specific candidates;

50 e. "candidate for state office" means a candidate for the following
51 state offices: governor, lieutenant governor, attorney general, comp-
52 troller, senator, and member of the assembly; and

53 f. "personal business transaction" means transactions for services
54 offered by the elected official in his or her capacity as a private
55 citizen to any member of the public.

2. The following persons and business entities who make a contribution to a candidate for state office, a political committee working directly or indirectly to aid or participate in such candidate's nomination or election, a political committee established or controlled by such candidate, or a state or local committee of a political party, including a housekeeping account, shall file reports as required by subdivision three of this section with the board of elections within seven calendar days after the date of a contribution made within thirty-six days of an election, or, for contributions made at any other time, within thirty-six days of the date of the contribution or the date of any applicable contract, whichever occurs later:

a. any person, organization, group of persons, or business entity that has received, in a calendar year fifty thousand dollars or more through contracts from the state or any state-appointed entity with contracting power;

b. any person who owns more than ten percent of a business entity that is described in paragraph a of this subdivision;

c. any person employed by an organization, group, or business entity described in paragraph a of this subdivision who holds a senior management position as defined by the state ethics commission;

d. the immediate family member of a person who is described in paragraph a, b or c of this subdivision; or

e. any political committee established or controlled by a person, organization, group of persons or business entity described in paragraph a, b, c and d of this subdivision.

3. The board of elections shall prescribe forms and procedures for the reporting required in subdivision two of this section which, at a minimum, shall require the electronic filing of the following information:

a. the name, address, employer and the name of spouse of the person making the contribution and the name of the spouse's employer;

b. the name of the candidate, political committee, or state or local committee of a political party, including a housekeeping account, receiving the contribution;

c. the amount of the contract with the state or other entity defined in paragraph a of subdivision two of this section, and the dates and other information identifying each contract for services or goods; and

d. if an organization, group of persons, or business entity is making the contribution:

(i) the names and business addresses of all persons who own more than ten percent of the organization, group or entity; or

(ii) the names and business addresses of all persons employed by the organization, group, or business entity who hold a senior management position as defined by the commission on governmental ethics.

4. The board of elections shall maintain completed forms and reports described in subdivision two of this section for public inspection both at the board of elections office and through the board of elections electronic filing system for campaign finance disclosure (EFS).

5. From twelve months after a bid or proposal to the relevant agency or contracting authority for a contract described in subdivision two of this section and either twelve months after completion of the applicable contract, or upon completion of the applicable elected official's term in office, whichever is longer, it shall be unlawful for any person, organization, group of persons or business entity described in paragraphs a, b, c and d or e of subdivision two of this section to:

a. make contributions to a candidate for state office, any political committee working directly or indirectly to aid or participate in such

1 candidate's nomination or election, or any other political committee
2 established or controlled by such candidate that exceed the following
3 amounts per election for the following offices:

- 4 (i) governor: five hundred dollars;
- 5 (ii) lieutenant governor: five hundred dollars;
- 6 (iii) comptroller: five hundred dollars;
- 7 (iv) attorney general: five hundred dollars;
- 8 (v) senator: three hundred fifty dollars; or
- 9 (vi) member of assembly: two hundred fifty dollars;

10 b. make contributions to:

11 (i) political committees working directly or indirectly to aid or
12 participate in the nomination or election of a candidate for the offices
13 described in subparagraphs (i), (ii), (iii), (iv), (v) and (vi) of para-
14 graph a of this subdivision, or other political committees established
15 or controlled by a candidate for the offices described in subparagraphs
16 (i), (ii), (iii), (iv), (v) and (vi) of paragraph a of this subdivision
17 that in the aggregate exceed four thousand dollars per election; or

18 (ii) state or local committees of a political party, or any house-
19 keeping account, in an amount greater than one thousand dollars per
20 election, and in an aggregate to all state or local committees of poli-
21 tical parties in an aggregate that exceeds two thousand dollars per
22 election;

23 c. solicit a contribution on behalf of, or transmit a contribution on
24 behalf of another to:

25 (i) a candidate for any of the offices for which contributions are
26 limited under paragraph a of this subdivision;

27 (ii) any political committee working directly or indirectly to aid or
28 participate in the nomination or election of a candidate for office for
29 which their contributions are limited in paragraph a of this subdivi-
30 sion, or any other political committee established or controlled by a
31 candidate for the offices for which their contributions are limited
32 under paragraph a of this subdivision;

33 (iii) a state or local committee of a political party including a
34 housekeeping account;

35 d. participate in any fund-raising activities for:

36 (i) a candidate for any of the offices for which contributions are
37 limited under paragraph a of this subdivision;

38 (ii) any political committee working directly or indirectly to aid or
39 participate in the nomination or election of a candidate for office for
40 which their contributions are limited in paragraph a of this subdivi-
41 sion, or any other political committee established or controlled by a
42 candidate for the offices for which their contributions are limited
43 under paragraph a of this subdivision;

44 (iii) a state or local committee of a political party, including a
45 housekeeping account;

46 e. serve as chairperson, treasurer, or any other officer of:

47 (i) any political committee working directly or indirectly to aid or
48 participate in the nomination or election of a candidate for office for
49 which their contributions are limited under paragraph a of this subdivi-
50 sion; or

51 (ii) any other political committee established or controlled by a
52 candidate for which their contributions are limited under paragraph a of
53 this subdivision;

54 f. conduct personal business transactions in an amount over two thou-
55 sand dollars in any calendar year with a public official holding the

1 offices for which their contributions are limited under paragraph a of
2 this subdivision;

3 g. deliver to any conduit or intermediary any contribution earmarked
4 for a particular candidate for the offices for which their contributions
5 are limited under paragraph a of this subdivision, or any committee
6 working directly or indirectly to aid or participate in such candidate's
7 nomination or election, or any other political committee established or
8 controlled by such candidate; or

9 h. knowingly take any step to circumvent the restrictions in this
10 subdivision.

11 i. the provisions of this section shall not apply for a contractor
12 making a contribution, or any disclosure thereof required by this arti-
13 cle, in any calendar year in which such contractor receives funds
14 disbursed by the state or any instrumentality thereof pursuant to a
15 federal statute, rule or regulation that would render the state or such
16 instrumentality or contractor ineligible to receive such funds by virtue
17 of the operation of this section.

18 This subdivision shall not be applicable to contributions made by any
19 person, organization, group of persons or business entity at a time when
20 the person, organization, group of persons or business entity did not
21 meet the descriptions of paragraphs a, b, c, d and e of subdivision two
22 of this section.

23 6. The state or any state department, public entity or authority with
24 contract-making power shall not enter into an agreement or otherwise
25 contract to procure services or any material, supplies or equipment, or
26 to acquire, sell, or lease any land or building from any person, organ-
27 ization, group of persons or business entity described in paragraphs a,
28 b, c and d of subdivision two of this section who has made a contrib-
29 ution prohibited in subdivision five of this section. This subdivision
30 shall not be applicable to contributions made by any person, organiza-
31 tion, group of persons or business entity at a time when the person,
32 organization, group of persons or business entity did not meet the
33 descriptions of paragraph a, b, c, d or e of subdivision two of this
34 section. Nothing in this section shall impair the power of the state or
35 any instrumentality thereof to enter into a contract with any contractor
36 where federal funds would support the payment or performance of such
37 contract and a federal statute, rule or regulation would render the
38 state or such instrumentality or contractor ineligible to receive such
39 funds by virtue of the operation of this section.

40 7. Every contract and bid application and specifications promulgated
41 by the state or any state department, public entity or authority with
42 contract-making power shall contain a provision describing the require-
43 ments of section 14-116 of this article.

44 8. Before entering into any agreement or any other contract to procure
45 from any person, organization, group of persons or business entity
46 services or any material, supplies or equipment, or to acquire, sell, or
47 lease any land or building, the state or any state department, public
48 entity or authority with contract-making power shall receive a sworn
49 statement from the contractor, made under penalty of perjury, that the
50 bidder or offerer has not made a contribution in violation of this
51 section.

52 9. No candidate for state office shall accept campaign contributions
53 from a person, organization, group of persons or business entity
54 described in paragraph a, b, c, d or e of subdivision two of this
55 section in an amount exceeding those permitted in paragraph a of subdi-
56 vision five of this section for twelve months after completion of the

1 applicable contract, or the remainder of the candidate's term in office,
2 whichever is longer. This subdivision shall not be applicable to
3 contributions made by any person, organization, group of persons or
4 business entity at a time when the person, organization, group of
5 persons or business entity did not meet the descriptions of paragraph a,
6 b, c, d or e of subdivision two of this section.

7 10. No public official holding any of the offices listed in paragraph
8 a of subdivision five of this section shall conduct personal business
9 transactions in an amount over two thousand dollars in any calendar year
10 with any person, organization, group of persons or business entity
11 described in paragraphs a, b, c and d of subdivision two of this
12 section.

13 11. This section shall not prohibit any person from informing any
14 other person of a position taken by a public official or a candidate for
15 public office.

16 12. The provisions of subdivisions two and five of this section shall
17 not apply to the campaign of any person described in paragraph a, b, c
18 or d of subdivision two of this section who is a candidate for any of
19 those offices listed in paragraph a of subdivision five of this section.

20 § 14-138. Commissioning authorities and licensing authorities. The
21 following persons shall not be appointed to a state public board or
22 commission which has the authority to award or audit any public
23 contract:

- 24 1. a lobbyist registered under section one-e of the legislative law;
- 25 2. any person or business entity who, in the previous two years, has
26 received fifty thousand dollars or more through one or more contracts
27 from the state or any state-appointed entity with contracting power;
- 28 3. any person who owns more than ten percent of a business entity that
29 is described in subdivision two of this section;
- 30 4. any person employed by an organization, group, or business entity
31 described in subdivision two of this section who holds a senior manage-
32 ment position as defined by the commission on governmental ethics; or
- 33 5. an immediate family member of a person described in subdivision
34 one, two, three, or four of this section.

35 § 8. Section 14-130 of the election law, as amended by section 9 of
36 part CC of chapter 56 of the laws of 2015, is amended to read as
37 follows:

38 § 14-130. Campaign funds for personal use. 1. Contributions received
39 by a candidate or a political committee may **only** be expended for [**any**
40 **lawful purpose. Such funds shall not be converted by any person to a**
41 **personal use which is unrelated to a political campaign or the holding**
42 **of a public office or party position**] bona fide purposes directly
43 related to either:

- 44 a. promoting the nomination or election of a candidate; or
- 45 b. performing those duties of public office or party position which
46 are not paid for or eligible for reimbursement by the state or any poli-
47 tical subdivision or private party.

48 2. Permissible ordinary and necessary expenses relating to the holding
49 of public office or party position shall include:

- 50 a. production and circulation of flyers or other written materials
51 related to duties of officeholder; the placement of holiday greetings
52 and congratulatory ads and memorial notices in local newspapers, maga-
53 zines, journals or other publication;
- 54 b. sponsorship or hosting of community meetings; tickets or donations
55 to local charitable, non-profit or political events, organizations or

1 activities that promote the welfare of constituents or political
2 campaigns;

3 c. incidental expenditures for the operation of legislative offices,
4 including purchase of items such as memorial or get-well gifts, flowers
5 or similar items of nominal value for constituents or others;

6 d. membership in organizations related to official duties and costs of
7 attending informational meetings attended in connection with such
8 duties; and

9 e. travel related to duties of office, provided that the travel is not
10 undertaken for any purpose resulting in a personal or financial benefit
11 to the candidate or officeholder. If such expenses involve both personal
12 activity and campaign or official activities, the incremental expenses
13 associated with the personal activities are personal uses unless the
14 campaign is reimbursed for such sums from other than campaign funds
15 within thirty days of the expenditure.

16 Nothing in this section shall prohibit a candidate from purchasing
17 office equipment with personal funds and leasing or renting such equip-
18 ment or property to a committee working with or for the candidate,
19 provided the candidate or the campaign treasurer sign a written lease or
20 rental agreement and files it with the appropriate required campaign
21 financial filing which shall include the lease or rental price which
22 shall not exceed the fair lease or rental value of the equipment or in
23 the aggregate exceed the cost of its purchase.

24 3. Campaign funds shall not be converted to personal use, which shall
25 be defined as expenditures that:

26 a. are for the personal benefit of or to defray normal living expenses
27 of the candidate, officeholder, immediate family or partner of either or
28 any other person;

29 b. are used to fulfill any commitment, obligation, or expense that
30 would exist irrespective of the candidate's campaign or duties as an
31 officeholder; or

32 c. are put to any use for which the candidate or officeholder would be
33 required to treat the amount of the expenditure as gross income under
34 section 61 of the Internal Revenue Code.

35 4. Expenditures for personal use shall also include, but are not
36 limited to, expenditures for:

37 a. residential or household items, supplies, maintenance or other
38 expenditures, including mortgage, rent, utilities, repairs, or improve-
39 ments for any part of any personal residence of a candidate or office-
40 holder, his or her immediate family or partner;

41 b. rent or utility payments that exceed fair market value for use of
42 any part of any non-residential property owned by a candidate, or a
43 member of a candidate's family or partner used for campaign purposes;

44 c. salary and other fees for bona fide services to a campaign or
45 legislative office that exceed fair and reasonable market value of such
46 services;

47 d. interest or any other finance charges for monies loaned to the
48 campaign by the candidate or the spouse or partner of such candidate;

49 e. tuition payments;

50 f. dues, fees, or gratuities at private clubs, recreational facilities
51 or other nonpolitical organizations, unless connected to a specific
52 widely attended fundraising event that takes place on the organization's
53 premises;

54 g. automobile purchases or long term leases; short term car rentals
55 and cellular equipment and services not used exclusively for campaign
56 purposes or duties as an officeholder;

1 h. admission to sporting events, concerts, theaters, or other forms of
2 entertainment, unless part of a specific campaign or officeholder
3 related activity; and

4 i. payment of any fines, fees, or penalties assessed pursuant to this
5 chapter.

6 5. No campaign funds shall be used to pay attorney's fees or any costs
7 of defending against any civil or criminal investigation or prosecution
8 for alleged violations of state or federal law alleged to have been
9 committed while holding public office or as a candidate for office where
10 the candidate or public or party official, members of their immediate
11 families or partners or the campaign is the target of such investigation
12 or prosecution unless such expenditure is used exclusively for costs
13 related to civil or criminal actions for alleged violations related to
14 activities promoting the nomination or election of a candidate.

15 ~~[2-]~~ 6. No contribution shall be used to pay interest or any other
16 finance charges upon monies loaned to the campaign by such candidate or
17 the spouse of such candidate.

18 ~~[3-]~~ 7. For the purposes of this section, contributions "converted by
19 any person to a personal use" are expenditures that are exclusively for
20 the personal benefit of the candidate or any other individual, not in
21 connection with a political campaign or the holding of a public office
22 or party position. "Converted by any person to a personal use", when
23 meeting the definition in this subdivision, shall include, but not be
24 limited to, expenses for the following:

25 (i) any residential or household items, supplies or expenditures,
26 including mortgage, rent or utility payments for any part of any
27 personal residence of a candidate or officeholder or a member of the
28 candidate's or officeholder's family that are not incurred as a result
29 of, or to facilitate, the individual's campaign, or the execution of his
30 or her duties of public office or party position. In the event that any
31 property or building is used for both personal and campaign use or as
32 part of the execution of his or her duties of public office or party
33 position, personal use shall constitute expenses that exceed the pro-
34 rated amount for such expenses based on fair-market value.

35 (ii) mortgage, rent, or utility payments to a candidate or officehold-
36 er for any part of any non-residential property that is owned by a
37 candidate or officeholder or a member of a candidate's or officeholder's
38 family and used for campaign purposes, to the extent the payments exceed
39 the fair market value of the property's usage for campaign activities;

40 (iii) clothing, other than items that are used in the campaign or in
41 the execution of the duties of public office or party position;

42 (iv) tuition payments unrelated to a political campaign or the holding
43 of a public office or party position;

44 (v) salary payments or other compensation provided to any person for
45 services where such services are not solely for campaign purposes or
46 provided in connection with the execution of the duties of public office
47 or party position;

48 (vi) salary payments or other compensation provided to a member of a
49 candidate's family, unless the family member is providing bona fide
50 services to the campaign. If a family member provides bona fide services
51 to a campaign, any salary payments or other compensation in excess of
52 the fair market value of the services provided shall be considered
53 payments for personal use;

54 (vii) admission to a sporting event, concert, theater, or other form
55 of entertainment, unless such event is part of, or in connection with, a

1 campaign or is related to the holding of public office or party posi-
2 tion;

3 (viii) payment of any fines or penalties assessed against the candi-
4 date pursuant to this chapter or in connection with a criminal
5 conviction or by the joint commission for public ethics pursuant to
6 section ninety-four of the executive law or sections seventy-three or
7 seventy-three-a of the public officers law or the legislative ethics
8 commission pursuant to section eighty of the legislative law;

9 (ix) dues, fees, or gratuities at a country club, health club, recre-
10 ational facility or other entities with a similar purpose, unless they
11 are expenses connected with a specific fundraising event or activity
12 associated with a political campaign or the holding of public office or
13 party position that takes place on the organization's premises; and

14 (x) travel expenses including automobile purchases or leases, unless
15 used for campaign purposes or in connection with the execution of the
16 duties of public office or party position and usage of such vehicle
17 which is incidental to such purposes or the execution of such duties.

18 ~~[4-]~~ 8. Nothing in this section shall prohibit a candidate from
19 purchasing equipment or property from his or her personal funds and
20 leasing or renting such equipment or property to a committee working
21 directly or indirectly with him to aid or participate in his or her
22 nomination or election, including an exploratory committee, provided
23 that the candidate and his or her campaign treasurer sign a written
24 lease or rental agreement. Such agreement shall include the lease or
25 rental price, which shall not exceed the fair lease or rental value of
26 the equipment. The candidate shall not receive lease or rental payments
27 which, in the aggregate, exceed the cost of purchasing the equipment or
28 property.

29 ~~[5-]~~ 9. Nothing in this section shall prohibit an elected public
30 officeholder from using campaign contributions to facilitate, support,
31 or otherwise assist in the execution or performance of the duties of his
32 or her public office.

33 ~~[6-]~~ 10. The state board of elections shall issue advisory opinions
34 upon request regarding expenditures that may or may not be considered
35 personal use of contributions. Any formal or informal advisory opinions
36 issued by a majority vote of the commissioners of the state board of
37 elections shall be binding on the board, the chief enforcement counsel
38 established by subdivision three-a of section 3-100 of this chapter, and
39 in any subsequent civil or criminal action or proceeding or administra-
40 tive proceeding.

41 § 9. Section 14-132 of the election law, as added by section 2 of part
42 C of chapter 286 of the laws of 2016, is amended to read as follows:

43 § 14-132. Disposition of campaign funds. 1. ~~[Upon the death of a~~
44 ~~candidate, former candidate or holder of elective office, where such~~
45 ~~candidate or candidate's authorized committee received campaign contrib-~~
46 ~~utions, all such funds]~~ Any political committee authorized by a candi-
47 date to take part in his or her election pursuant to section 14-112 of
48 this article shall dispose of all funds by the latest of: (a) two years
49 after the death of such candidate; (b) four years after the end of such
50 candidate's most recent term in the office for which the committee was
51 authorized to take part in his or her election to; or (c) four years
52 after the last election for which such candidate was nominated or desig-
53 nated and the committee was authorized.

54 2. Any candidate or political committee required to dispose of funds
55 pursuant to this section shall ~~[be disposed]~~ dispose of such funds by

1 any of the following means, or any combination thereof[~~, within two~~
2 ~~years of the death of such person~~]:

3 (a) returning, pro rata, to each contributor the funds that have not
4 been spent or obligated;

5 (b) donating the funds to a charitable organization or organizations
6 that meet the qualifications of section 501(c)(3) of the Internal Reven-
7 ue Code;

8 (c) donating the funds to the state university of New York or the city
9 university of New York;

10 (d) donating the funds to the state's general fund; or

11 (e) contributing or transferring the funds to a candidate, party,
12 constituted or political committee other than a committee authorized by
13 the same candidate as the committee required to dispose of such funds,
14 in accordance with the applicable limits, if any, set forth in this
15 article.

16 [~~2-~~] 3. No such candidate's authorized political committee shall
17 dispose of campaign funds by making expenditures for personal use as
18 defined in section 14-130 of this article.

19 [~~3-~~] 4. If funds are not disposed of within the time required by this
20 section, such funds shall be recoverable by the chief enforcement coun-
21 sel of the state board of elections in a special proceeding in state
22 supreme court in the manner prescribed by section 16-116 of this chapter
23 and deposited into the state's general fund.

24 § 10. Subdivision 1 of section 14-102 of the election law, as amended
25 by chapter 8 and redesignated by chapter 9 of the laws of 1978, is
26 amended to read as follows:

27 1. The treasurer of every political committee which, or any officer,
28 member or agent of any such committee who, in connection with any
29 election, receives or expends any money or other valuable thing or
30 incurs any liability to pay money or its equivalent shall file state-
31 ments sworn, or subscribed and bearing a form notice that false state-
32 ments made therein are punishable as a class A misdemeanor pursuant to
33 section 210.45 of the penal law, at the times prescribed by this article
34 setting forth all the receipts, contributions to and the expenditures by
35 and liabilities of the committee, and of its officers, members and
36 agents in its behalf. Such statements shall include the dollar amount of
37 any receipt, contribution or transfer, or the fair market value of any
38 receipt, contribution or transfer, which is other than of money, the
39 name and address of the transferor, contributor or person from whom
40 received, if the contributor is a lobbyist registered pursuant to arti-
41 cle one-A of the legislative law and if the transferor, contributor or
42 person is a political committee; the name of and the political unit
43 represented by the committee, the date of its receipt, the dollar amount
44 of every expenditure, the name and address of the person to whom it was
45 made or the name of and the political unit represented by the committee
46 to which it was made and the date thereof, and shall state clearly the
47 purpose of such expenditure. Any statement reporting a loan shall have
48 attached to it a copy of the evidence of indebtedness. Expenditures in
49 sums under fifty dollars need not be specifically accounted for by sepa-
50 rate items in said statements, and receipts and contributions aggregat-
51 ing not more than ninety-nine dollars, from any one contributor need not
52 be specifically accounted for by separate items in said statements,
53 provided however, that such expenditures, receipts and contributions
54 shall be subject to the other provisions of section 14-118 of this arti-
55 cle.

1 § 11. Subdivision 3 of section 74 of the public officers law is
2 amended by adding a new paragraph j to read as follows:

3 j. No officer or employee of a state agency required to file an annual
4 statement of financial disclosure pursuant to section seventy-three-a of
5 this article shall solicit or receive contributions for a campaign for
6 state or federal office.

7 § 12. This act shall take effect on the first of January next succeed-
8 ing the date on which it shall have become a law; provided, however,
9 that section 14-136 of the election law as added by section seven of
10 this act shall take effect two years after such effective date; and
11 provided, further, that sections eight, nine, ten and eleven of this act
12 shall take effect on the sixtieth day after it shall have become a law;
13 provided, further, that if chapter 286 of the laws of 2016 shall not
14 have taken effect on or before such date then section nine of this act
15 shall take effect on the same date and in the same manner as such chap-
16 ter of the laws of 2016 takes effect; and provided, further, that the
17 state board of elections shall notify all registered campaign committees
18 of the applicable provisions of sections eight, nine, ten and eleven of
19 this act within thirty days after this act shall have become a law.