

# STATE OF NEW YORK

3658

2017-2018 Regular Sessions

## IN SENATE

January 25, 2017

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

AN ACT to amend the business corporation law, the cooperative corporations law, the not-for-profit corporation law, the railroad law, the transportation corporations law, the banking law 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 § 2. The business corporation law is amended by adding a new section  
4 631 to read as follows:

5 § 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.

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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: (A) 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 (B) a communication that constitutes a candidate debate or forum; or (C)  
15 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 § 3. The business corporation law is amended by adding a new section  
43 1321 to read as follows:

44 § 1321. Political contributions.

45 (a) Definitions. When used in this section:

46 (1) 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     (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: (A) 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 (B) a communication that constitutes a candidate debate or forum; or (C)  
19 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  
24 foreign corporation doing business in the state in accordance with  
25 section thirteen hundred one of this article may make a contribution or  
26 independent expenditure in New York, the foreign corporation shall, at  
27 least annually, obtain the prior authorization by vote of a majority of  
28 the shares cast on such resolution to make contributions or independent  
29 expenditures up to a stated aggregate annual amount.

30     (c) Any foreign corporation, either by itself or its subsidiaries,  
31 making a contribution or independent expenditure in New York shall at  
32 least annually disclose to its shareholders and file with the secretary  
33 of state an accounting of the contributions and independent expenditures  
34 used for such purposes, including:

35         (1) the date of the contribution or independent expenditure;

36         (2) the amount of the contribution or independent expenditure;

37         (3) the identity of the recipient of the contribution, or if an inde-  
38 pendent expenditure, the identity of the candidate, referendum, poli-  
39 tical party, pending legislation, public policy or a government rule or  
40 regulation supported or opposed; and

41         (4) the business rationale for each such contribution or independent  
42 expenditure.

43     (d) The secretary of state shall post each foreign corporation's annu-  
44 al disclosure on the website maintained by the secretary of state.

45     (e) The attorney general may commence an action or special proceeding  
46 to enforce the provisions of this section.

47     § 4. The business corporation law is amended by adding a new section  
48 1517 to read as follows:

49 § 1517. Political contributions.

50     (a) Definitions. When used in this section:

51         (1) The term "contribution" means any gift, subscription, outstanding  
52 loan, advance, deposit of money or any thing of value provided to a  
53 political committee, party committee, constituted committee or duly  
54 constituted subcommittee of a county committee, as those terms are  
55 defined in article fourteen of the election law, in support or oppo-  
56 sition to a candidate for public or party office, referendum, political

1 party, electioneering communication or any communication made to the  
2 general public intended to encourage the public to contact a government  
3 official, candidate for public or party office or political party  
4 regarding pending legislation, public policy or a government rule or  
5 regulation;

6 (2) The term "independent expenditure" means an expenditure made by a  
7 person for an audio or video communication to a general public audience  
8 via broadcast, cable or satellite or a written communication to a gener-  
9 al public audience via advertisements, pamphlets, circulars, flyers,  
10 brochures, letterheads or other printed matter and statements or infor-  
11 mation conveyed to five hundred or more members of a general public  
12 audience by computer or other electronic devices which: (i) expressly  
13 advocates the election or defeat of a clearly identified candidate or  
14 the success or defeat of a ballot proposal and (ii) such candidate, the  
15 candidate's political committee or its agents, or a political committee  
16 formed to promote the success or defeat of a ballot proposal or its  
17 agents, did not authorize, request, suggest, foster or cooperate in any  
18 such communication. Independent expenditures do not include: (A) a  
19 communication appearing in a written news story, commentary, or editori-  
20 al or distributed through the facilities of any broadcasting station,  
21 cable or satellite unless such publication or facilities are owned or  
22 controlled by any political party, political committee or candidate; or  
23 (B) a communication that constitutes a candidate debate or forum; or (C)  
24 a communication which constitutes an expenditure made by an entity  
25 required to report such expenditure with a board of elections.

26 (b) Notwithstanding any other limits on professional service corpo-  
27 ration contributions to, or expenditures on behalf of, candidates for  
28 public or party office, political committees, party committees or ballot  
29 referendum, before a professional service corporation may make a  
30 contribution or independent expenditure, the professional service corpo-  
31 ration shall, at least annually, obtain the prior authorization by vote  
32 of a majority of the shares cast on such resolution to make contrib-  
33 utions or independent expenditures up to a stated aggregate annual  
34 amount.

35 (c) Any professional service corporation, either by itself or its  
36 subsidiaries, making a contribution or independent expenditure shall at  
37 least annually disclose to its shareholders and file with the secretary  
38 of state an accounting of the contributions and independent expenditures  
39 used for such purposes, including:

- 40 (1) the date of the contribution or independent expenditure;  
41 (2) the amount of the contribution or independent expenditure;  
42 (3) the identity of the recipient of the contribution, or if an inde-  
43 pendent expenditure, the identity of the candidate, referendum, poli-  
44 tical party, pending legislation, public policy or a government rule or  
45 regulation supported or opposed; and  
46 (4) the business rationale for each such contribution or independent  
47 expenditure.

48 (d) The secretary of state shall post each professional service corpo-  
49 ration's annual disclosure on the website maintained by the secretary of  
50 state.

51 (e) The attorney general may commence an action or special proceeding  
52 to enforce the provisions of this section.

53 § 5. The business corporation law is amended by adding a new section  
54 1534 to read as follows:

55 § 1534. Political contributions.

56 (a) Definitions. When used in this section:

1 (1) The term "contribution" means any gift, subscription, outstanding  
2 loan, advance, deposit of money or any thing of value provided to a  
3 political committee, party committee, constituted committee or duly  
4 constituted subcommittee of a county committee, as those terms are  
5 defined in article fourteen of the election law, in support or oppo-  
6 sition to a candidate for public or party office, referendum, political  
7 party, electioneering communication or any communication made to the  
8 general public intended to encourage the public to contact a government  
9 official, candidate for public or party office or political party  
10 regarding pending legislation, public policy or a government rule or  
11 regulation;

12 (2) The term "independent expenditure" means an expenditure made by a  
13 person for an audio or video communication to a general public audience  
14 via broadcast, cable or satellite or a written communication to a gener-  
15 al public audience via advertisements, pamphlets, circulars, flyers,  
16 brochures, letterheads or other printed matter and statements or infor-  
17 mation conveyed to five hundred or more members of a general public  
18 audience by computer or other electronic devices which: (i) expressly  
19 advocates the election or defeat of a clearly identified candidate or  
20 the success or defeat of a ballot proposal and (ii) such candidate, the  
21 candidate's political committee or its agents, or a political committee  
22 formed to promote the success or defeat of a ballot proposal or its  
23 agents, did not authorize, request, suggest, foster or cooperate in any  
24 such communication. Independent expenditures do not include: (A) a  
25 communication appearing in a written news story, commentary, or editori-  
26 al or distributed through the facilities of any broadcasting station,  
27 cable or satellite unless such publication or facilities are owned or  
28 controlled by any political party, political committee or candidate; or  
29 (B) a communication that constitutes a candidate debate or forum; or (C)  
30 a communication which constitutes an expenditure made by an entity  
31 required to report such expenditure with a board of elections.

32 (b) Notwithstanding any other limits on foreign professional service  
33 corporation contributions to, or expenditures on behalf of, candidates  
34 for public or party office, political committees, party committees or  
35 ballot referendum, before a foreign professional service corporation, as  
36 defined by subdivision (d) of section fifteen hundred twenty-five of  
37 this article, may make a contribution or independent expenditure in New  
38 York, the foreign professional service corporation shall, at least annu-  
39 ally, obtain the prior authorization by vote of a majority of the shares  
40 cast on such resolution to make contributions or independent expendi-  
41 tures up to a stated aggregate annual amount.

42 (c) Any foreign professional service corporation, either by itself or  
43 its subsidiaries, making a contribution or independent expenditure in  
44 New York shall at least annually disclose to its shareholders and file  
45 with the secretary of state an accounting of the contributions and inde-  
46 pendent expenditures used for such purposes, including:

47 (1) the date of the contribution or independent expenditure;

48 (2) the amount of the contribution or independent expenditure;

49 (3) the identity of the recipient of the contribution, or if an inde-  
50 pendent expenditure, the identity of the candidate, referendum, poli-  
51 tical party, pending legislation, public policy or a government rule or  
52 regulation supported or opposed; and

53 (4) the business rationale for each such contribution or independent  
54 expenditure.



1 (d) The secretary of state shall post each foreign professional  
2 service corporation's annual disclosure on the web site maintained by  
3 the secretary of state.

4 (e) The attorney general may commence an action or special proceeding  
5 to enforce the provisions of this section.

6 § 6. The cooperative corporations law is amended by adding a new  
7 section 78 to read as follows:

8 § 78. Political contributions. 1. Definitions. When used in this  
9 section:

10 (a) The term "contribution" means any gift, subscription, outstanding  
11 loan, advance, deposit of money or any thing of value provided to a  
12 political committee, party committee, constituted committee or duly  
13 constituted subcommittee of a county committee, as those terms are  
14 defined in article fourteen of the election law, in support or oppo-  
15 sition to a candidate for public or party office, referendum, political  
16 party, electioneering communication or any communication made to the  
17 general public intended to encourage the public to contact a government  
18 official, candidate for public or party office or political party  
19 regarding pending legislation, public policy or a government rule or  
20 regulation;

21 (b) The term "independent expenditure" means an expenditure made by a  
22 person for an audio or video communication to a general public audience  
23 via broadcast, cable or satellite or a written communication to a gener-  
24 al public audience via advertisements, pamphlets, circulars, flyers,  
25 brochures, letterheads or other printed matter and statements or infor-  
26 mation conveyed to five hundred or more members of a general public  
27 audience by computer or other electronic devices which: (i) expressly  
28 advocates the election or defeat of a clearly identified candidate or  
29 the success or defeat of a ballot proposal and (ii) such candidate, the  
30 candidate's political committee or its agents, or a political committee  
31 formed to promote the success or defeat of a ballot proposal or its  
32 agents, did not authorize, request, suggest, foster or cooperate in any  
33 such communication. Independent expenditures do not include: (A) a  
34 communication appearing in a written news story, commentary, or editori-  
35 al or distributed through the facilities of any broadcasting station,  
36 cable or satellite unless such publication or facilities are owned or  
37 controlled by any political party, political committee or candidate; or  
38 (B) a communication that constitutes a candidate debate or forum; or (C)  
39 a communication which constitutes an expenditure made by an entity  
40 required to report such expenditure with a board of elections.

41 2. Notwithstanding any other limits on cooperative corporation  
42 contributions to or expenditures on behalf of political candidates,  
43 political committees, party committees, or ballot referendums, before a  
44 cooperative corporation may make a contribution or independent expendi-  
45 ture, the cooperative corporation shall at least annually obtain the  
46 prior authorization by vote of a majority of the shares or members cast  
47 on such resolution to make contributions or independent expenditures, up  
48 to a stated aggregate annual amount.

49 3. Any cooperative corporation, either by itself or its subsidiaries,  
50 making a contribution or independent expenditure shall, at least annual-  
51 ly, disclose to its shareholders and file with the secretary of state an  
52 accounting of the contributions and independent expenditures used for  
53 such purposes, including:

54 (a) the date of the contribution or independent expenditure;

55 (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 cooperative corporation's  
8 annual disclosure 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 § 7. The not-for-profit corporation law is amended by adding a new  
12 section 522 to read as follows:

13 § 522. 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: (A) 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 (B) a communication that constitutes a candidate debate or forum; or (C)  
44 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 not-for-profit corporation  
47 contributions to, or expenditures on behalf of, candidates for public or  
48 party office, political committees, party committees or ballot referen-  
49 dum, before a not-for-profit corporation or any of its subsidiaries may  
50 make a contribution or independent expenditure, the not-for-profit  
51 corporation shall, at least annually, obtain the prior authorization by  
52 vote of a majority of the members voting on such resolution to make  
53 contributions or independent expenditures up to a stated aggregate annu-  
54 al amount.

55 (c) Any not-for-profit corporation, either by itself or its subsid-  
56 aries, making a contribution or independent expenditure shall at least

1 annually disclose to its members and file with the secretary of state an  
2 accounting of the contributions and independent expenditures used for  
3 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 not-for-profit corpo-  
13 ration's annual disclosure on the website maintained by the secretary of  
14 state.

15 (e) The attorney general may commence an action or special proceeding  
16 to enforce the provisions of this section.

17 § 8. The railroad law is amended by adding a new section 35 to read as  
18 follows:

19 § 35. Political contributions. 1. Definitions. When used in this  
20 section:

21 (a) The term "contribution" means any gift, subscription, outstanding  
22 loan, advance, deposit of money or any thing of value provided to a  
23 political committee, party committee, constituted committee or duly  
24 constituted subcommittee of a county committee, as those terms are  
25 defined in article fourteen of the election law, in support or oppo-  
26 sition to a candidate for public or party office, referendum, political  
27 party, electioneering communication or any communication made to the  
28 general public intended to encourage the public to contact a government  
29 official, candidate for public or party office or political party  
30 regarding pending legislation, public policy or a government rule or  
31 regulation;

32 (b) The term "independent expenditure" means an expenditure made by a  
33 person for an audio or video communication to a general public audience  
34 via broadcast, cable or satellite or a written communication to a gener-  
35 al public audience via advertisements, pamphlets, circulars, flyers,  
36 brochures, letterheads or other printed matter and statements or infor-  
37 mation conveyed to five hundred or more members of a general public  
38 audience by computer or other electronic devices which: (i) expressly  
39 advocates the election or defeat of a clearly identified candidate or  
40 the success or defeat of a ballot proposal and (ii) such candidate, the  
41 candidate's political committee or its agents, or a political committee  
42 formed to promote the success or defeat of a ballot proposal or its  
43 agents, did not authorize, request, suggest, foster or cooperate in any  
44 such communication. Independent expenditures do not include: (A) a  
45 communication appearing in a written news story, commentary, or editori-  
46 al or distributed through the facilities of any broadcasting station,  
47 cable or satellite unless such publication or facilities are owned or  
48 controlled by any political party, political committee or candidate; or  
49 (B) a communication that constitutes a candidate debate or forum; or (C)  
50 a communication which constitutes an expenditure made by an entity  
51 required to report such expenditure with a board of elections.

52 2. Notwithstanding any other limits on railroad corporation contrib-  
53 utions to or expenditures on behalf of political candidates, political  
54 committees, party committees, or ballot referendums, before a railroad  
55 corporation may make a contribution or independent expenditure, the  
56 railroad corporation shall at least annually obtain the prior authori-



1 zation by vote of a majority of the shares or members cast on such  
2 resolution to make contributions or independent expenditures, up to a  
3 stated aggregate annual amount.

4 3. Any railroad corporation, either by itself or its subsidiaries,  
5 making contributions or independent expenditures shall, at least annual-  
6 ly, disclose to its shareholders and file with the secretary of state an  
7 accounting of the contributions and independent expenditures used for  
8 such purposes, including:

9 (a) the date of the contribution or independent expenditure;

10 (b) the amount of the contribution or independent expenditure;

11 (c) the identity of the recipient of the contribution, or if an inde-  
12 pendent expenditure, the identity of the candidate, referendum, poli-  
13 tical party, pending legislation, public policy or a government rule or  
14 regulation supported or opposed; and

15 (d) the business rationale for each such contribution or independent  
16 expenditure.

17 4. The secretary of state shall post each railroad corporation's annu-  
18 al disclosure on the website maintained by the secretary of state.

19 5. The attorney general may commence an action or special proceeding  
20 to enforce the provisions of this section.

21 § 9. The transportation corporations law is amended by adding a new  
22 section 7 to read as follows:

23 § 7. Political contributions. (a) Definitions. When used in this  
24 section:

25 (1) The term "contribution" means any gift, subscription, outstanding  
26 loan, advance, deposit of money or any thing of value provided to a  
27 political committee, party committee, constituted committee or duly  
28 constituted subcommittee of a county committee, as those terms are  
29 defined in article fourteen of the election law, in support or oppo-  
30 sition to a candidate for public or party office, referendum, political  
31 party, electioneering communication or any communication made to the  
32 general public intended to encourage the public to contact a government  
33 official, candidate for public or party office or political party  
34 regarding pending legislation, public policy or a government rule or  
35 regulation;

36 (2) The term "independent expenditure" means an expenditure made by a  
37 person for an audio or video communication to a general public audience  
38 via broadcast, cable or satellite or a written communication to a gener-  
39 al public audience via advertisements, pamphlets, circulars, flyers,  
40 brochures, letterheads or other printed matter and statements or infor-  
41 mation conveyed to five hundred or more members of a general public  
42 audience by computer or other electronic devices which: (i) expressly  
43 advocates the election or defeat of a clearly identified candidate or  
44 the success or defeat of a ballot proposal and (ii) such candidate, the  
45 candidate's political committee or its agents, or a political committee  
46 formed to promote the success or defeat of a ballot proposal or its  
47 agents, did not authorize, request, suggest, foster or cooperate in any  
48 such communication. Independent expenditures do not include: (A) a  
49 communication appearing in a written news story, commentary, or editori-  
50 al or distributed through the facilities of any broadcasting station,  
51 cable or satellite unless such publication or facilities are owned or  
52 controlled by any political party, political committee or candidate; or  
53 (B) a communication that constitutes a candidate debate or forum; or (C)  
54 a communication which constitutes an expenditure made by an entity  
55 required to report such expenditure with a board of elections.

1 (b) Notwithstanding any other limits on transportation corporation  
2 contributions to, or expenditures on behalf of, candidates for public or  
3 party office, political committees, party committees or ballot referen-  
4 dum, before a transportation corporation or any of its subsidiaries may  
5 make a contribution or independent expenditure, the transportation  
6 corporation shall, at least annually, obtain the prior authorization by  
7 vote of a majority of the shares cast on such resolution to make  
8 contributions or independent expenditures up to a stated aggregate annu-  
9 al amount.

10 (c) Any transportation corporation, either by itself or its subsid-  
11 aries, making contributions or independent expenditures shall at least  
12 annually disclose to its shareholders and file with the secretary of  
13 state an accounting of the contributions and independent expenditures  
14 used for such purposes, including:

15 (1) the date of the contribution or independent expenditure;

16 (2) the amount of the contribution or independent expenditure;

17 (3) the identity of the recipient of the contribution, or if an inde-  
18 pendent expenditure, the identity of the candidate, referendum, poli-  
19 tical party, pending legislation, public policy or a government rule or  
20 regulation supported or opposed; and

21 (4) the business rationale for each such contribution or independent  
22 expenditure.

23 (d) The secretary of state shall post each transportation corpo-  
24 ration's annual disclosure on the website maintained by the secretary of  
25 state.

26 (e) The attorney general may commence an action or special proceeding  
27 to enforce the provisions of this section.

28 § 10. The banking law is amended by adding a new section 5017 to read  
29 as follows:

30 § 5017. Political contributions. 1. Definitions. When used in this  
31 section:

32 (a) The term "contribution" means any gift, subscription, outstanding  
33 loan, advance, deposit of money or any thing of value provided to a  
34 political committee, party committee, constituted committee or duly  
35 constituted subcommittee of a county committee, as those terms are  
36 defined in article fourteen of the election law, in support or oppo-  
37 sition to a candidate for public or party office, referendum, political  
38 party, electioneering communication or any communication made to the  
39 general public intended to encourage the public to contact a government  
40 official, candidate for public or party office or political party  
41 regarding pending legislation, public policy or a government rule or  
42 regulation;

43 (b) The term "independent expenditure" means an expenditure made by a  
44 person for an audio or video communication to a general public audience  
45 via broadcast, cable or satellite or a written communication to a gener-  
46 al public audience via advertisements, pamphlets, circulars, flyers,  
47 brochures, letterheads or other printed matter and statements or infor-  
48 mation conveyed to five hundred or more members of a general public  
49 audience by computer or other electronic devices which: (i) expressly  
50 advocates the election or defeat of a clearly identified candidate or  
51 the success or defeat of a ballot proposal and (ii) such candidate, the  
52 candidate's political committee or its agents, or a political committee  
53 formed to promote the success or defeat of a ballot proposal or its  
54 agents, did not authorize, request, suggest, foster or cooperate in any  
55 such communication. Independent expenditures do not include: (A) a  
56 communication appearing in a written news story, commentary, or editori-

1 al or distributed through the facilities of any broadcasting station,  
2 cable or satellite unless such publication or facilities are owned or  
3 controlled by any political party, political committee or candidate; or  
4 (B) a communication that constitutes a candidate debate or forum; or (C)  
5 a communication which constitutes an expenditure made by an entity  
6 required to report such expenditure with a board of elections.

7 2. Notwithstanding any other limits on corporation contributions to or  
8 expenditures on behalf of political candidates, political committees,  
9 party committees, or ballot referendums, before a corporation may make a  
10 contribution or independent expenditure, the corporation shall at least  
11 annually obtain the prior authorization by vote of a majority of the  
12 shares or members cast on such resolution to make contributions or inde-  
13 pendent expenditures, up to a stated aggregate annual amount.

14 3. Any corporation, either by itself or its subsidiaries, making a  
15 contribution or independent expenditure shall, at least annually,  
16 disclose to its shareholders and file with the secretary of state an  
17 accounting of the contributions and independent expenditures used for  
18 such purposes, including:

19 (a) the date of the contribution or independent expenditure;

20 (b) the amount of the contribution or independent expenditure;

21 (c) the identity of the recipient of the contribution, or if an inde-  
22 pendent expenditure, the identity of the candidate, referendum, poli-  
23 tical party, pending legislation, public policy or a government rule or  
24 regulation supported or opposed; and

25 (d) the business rationale for each such contribution or independent  
26 expenditure.

27 4. The secretary of state shall post each corporation's annual disclo-  
28 sure on the website maintained by the secretary of state.

29 5. The attorney general may commence an action or special proceeding  
30 to enforce the provisions of this section.

31 § 11. The limited liability company law is amended by adding a new  
32 section 510 to read as follows:

33 § 510. Political contributions. (a) Definitions. When used in this  
34 section:

35 (1) The term "contribution" means any gift, subscription, outstanding  
36 loan, advance, deposit of money or any thing of value provided to a  
37 political committee, party committee, constituted committee or duly  
38 constituted subcommittee of a county committee, as those terms are  
39 defined in article fourteen of the election law, in support or oppo-  
40 sition to a candidate for public or party office, referendum, political  
41 party, electioneering communication or any communication made to the  
42 general public intended to encourage the public to contact a government  
43 official, candidate for public or party office or political party  
44 regarding pending legislation, public policy or a government rule or  
45 regulation;

46 (2) The term "independent expenditure" means an expenditure made by a  
47 person for an audio or video communication to a general public audience  
48 via broadcast, cable or satellite or a written communication to a gener-  
49 al public audience via advertisements, pamphlets, circulars, flyers,  
50 brochures, letterheads or other printed matter and statements or infor-  
51 mation conveyed to five hundred or more members of a general public  
52 audience by computer or other electronic devices which: (i) expressly  
53 advocates the election or defeat of a clearly identified candidate or  
54 the success or defeat of a ballot proposal and (ii) such candidate, the  
55 candidate's political committee or its agents, or a political committee  
56 formed to promote the success or defeat of a ballot proposal or its

1 agents, did not authorize, request, suggest, foster or cooperate in any  
2 such communication. Independent expenditures do not include: (A) a  
3 communication appearing in a written news story, commentary, or editori-  
4 al or distributed through the facilities of any broadcasting station,  
5 cable or satellite unless such publication or facilities are owned or  
6 controlled by any political party, political committee or candidate; or  
7 (B) a communication that constitutes a candidate debate or forum; or (C)  
8 a communication which constitutes an expenditure made by an entity  
9 required to report such expenditure with a board of elections.

10 (b) Notwithstanding any other limits on contributions to, or expendi-  
11 tures on behalf of, candidates for public or party office, political  
12 committees, party committees or ballot referendum, before a limited  
13 liability company may make a contribution or independent expenditure,  
14 the limited liability company shall, at least annually, obtain the prior  
15 authorization by vote of a majority of the members or managers cast on  
16 such resolution to make contributions or independent expenditures up to  
17 a stated aggregate annual amount.

18 (c) Any limited liability company, either by itself or its subsid-  
19 iaries, making a contribution or independent expenditure shall at least  
20 annually disclose to its members or managers and file with the secretary  
21 of state an accounting of the contributions and independent expenditures  
22 used for such purposes, including:

23 (1) the date of the contribution or independent expenditure;

24 (2) the amount of the contribution or independent expenditure;

25 (3) the identity of the recipient of the contribution, or if an inde-  
26 pendent expenditure, the identity of the candidate, referendum, poli-  
27 tical party, pending legislation, public policy or a government rule or  
28 regulation supported or opposed; and

29 (4) the business rationale for each such contribution or independent  
30 expenditure.

31 (d) The secretary of state shall post each limited liability company's  
32 annual disclosure on the website maintained by the secretary of state.

33 (e) The attorney general may commence an action or special proceeding  
34 to enforce the provisions of this section.

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

42 § 13. This act shall take effect on the first of August next succeed-  
43 ing the date on which it shall have become a law.