

# STATE OF NEW YORK

2364--A

2019-2020 Regular Sessions

## IN SENATE

January 24, 2019

Introduced by Sen. KAVANAGH -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the business corporation law, the cooperative corporations law, the not-for-profit corporation law, the railroad law, the transportation corporations law, the banking law and the limited liability company law, in relation to 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-

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

LBD00804-02-9

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

18 (b) Notwithstanding any other limits on corporate contributions to, or  
19 expenditures on behalf of, candidates for public or party office, poli-  
20 tical committees, party committees or ballot referendum, before a corpo-  
21 ration or any of its subsidiaries may make a contribution or independent  
22 expenditure, the corporation shall, at least annually, obtain the prior  
23 authorization by vote of a majority of the shares cast on such resol-  
24 ution to make contributions or independent expenditures up to a stated  
25 aggregate annual amount for a stated business purpose.

26 (c) Any corporation, either by itself or its subsidiaries, making a  
27 contribution or independent expenditure shall at least annually disclose  
28 to its shareholders and file with the secretary of state an accounting  
29 of the contributions and independent expenditures used for such  
30 purposes, including:

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

32 (2) the amount of the contribution or independent expenditure; and

33 (3) the identity of the recipient of the contribution, or if an inde-  
34 pendent expenditure, the identity of the candidate, referendum, poli-  
35 tical party, pending legislation, public policy or a government rule or  
36 regulation supported or opposed.

37 (d) The secretary of state shall post each corporation's annual  
38 disclosure on the website maintained by the secretary of state.

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

41 § 3. The business corporation law is amended by adding a new section  
42 1321 to read as follows:

43 § 1321. Political contributions.

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

45 (1) The term "contribution" means any gift, subscription, outstanding  
46 loan, advance, deposit of money or any thing of value provided to a  
47 political committee, party committee, constituted committee or duly  
48 constituted subcommittee of a county committee, as those terms are  
49 defined in article fourteen of the election law, in support or oppo-  
50 sition to a candidate for public or party office, referendum, political  
51 party, electioneering communication or any communication made to the  
52 general public intended to encourage the public to contact a government  
53 official, candidate for public or party office or political party  
54 regarding pending legislation, public policy or a government rule or  
55 regulation;

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

(b) Notwithstanding any other limits on corporate contributions to, or expenditures on behalf of, candidates for public or party office, political committees, party committees or ballot referendum, before a foreign corporation doing business in the state in accordance with section thirteen hundred one of this article may make a contribution or independent expenditure in New York, the foreign corporation shall, at least annually, obtain the prior authorization by vote of a majority of the shares cast on such resolution to make contributions or independent expenditures up to a stated aggregate annual amount for a stated business purpose.

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

- (1) the date of the contribution or independent expenditure;
- (2) the amount of the contribution or independent expenditure; and
- (3) the identity of the recipient of the contribution, or if an independent expenditure, the identity of the candidate, referendum, political party, pending legislation, public policy or a government rule or regulation supported or opposed.

(d) The secretary of state shall post each foreign corporation's annual disclosure on the website maintained by the secretary of state.

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

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

**§ 1517. Political contributions.**

(a) Definitions. When used in this section:

(1) The term "contribution" means any gift, subscription, outstanding loan, advance, deposit of money or any thing of value provided to a political committee, party committee, constituted committee or duly constituted subcommittee of a county committee, as those terms are defined in article fourteen of the election law, in support or opposition to a candidate for public or party office, referendum, political party, electioneering communication or any communication made to the

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

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

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

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

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

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

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

50 § 5. The business corporation law is amended by adding a new section  
51 1534 to read as follows:

52 § 1534. 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: (A) 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 (B) a communication that constitutes a candidate debate or forum; or (C)  
27 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 foreign professional service  
30 corporation contributions to, or expenditures on behalf of, candidates  
31 for public or party office, political committees, party committees or  
32 ballot referendum, before a foreign professional service corporation, as  
33 defined by subdivision (d) of section fifteen hundred twenty-five of  
34 this article, may make a contribution or independent expenditure in New  
35 York, the foreign professional service corporation shall, at least annu-  
36 ally, obtain the prior authorization by vote of a majority of the shares  
37 cast on such resolution to make contributions or independent expendi-  
38 tures up to a stated aggregate annual amount for a stated business  
39 purpose.

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

45 (1) the date of the contribution or independent expenditure;  
46 (2) the amount of the contribution or independent expenditure; and  
47 (3) the identity of the recipient of the contribution, or if an inde-  
48 pendent expenditure, the identity of the candidate, referendum, poli-  
49 tical party, pending legislation, public policy or a government rule or  
50 regulation supported or opposed.

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

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



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

3     § 78. 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: (A) 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 (B) a communication that constitutes a candidate debate or forum; or (C)  
34 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 cooperative corporation  
37 contributions to or expenditures on behalf of political candidates,  
38 political committees, party committees, or ballot referendums, before a  
39 cooperative corporation may make a contribution or independent expendi-  
40 ture, the cooperative corporation shall at least annually obtain the  
41 prior authorization by vote of a majority of the shares or members cast  
42 on such resolution to make contributions or independent expenditures, up  
43 to a stated aggregate annual amount for a stated business purpose.

44     3. Any cooperative corporation, either by itself or its subsidiaries,  
45 making a contribution or independent expenditure 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; and  
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.

55     4. The secretary of state shall post each cooperative corporation's  
56 annual disclosure on the website maintained by the secretary of state.

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

3     § 7. The not-for-profit corporation law is amended by adding a new  
4 section 522 to read as follows:

5 § 522. 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,  
22 brochures, letterheads or other printed matter and statements or infor-  
23 mation conveyed to five hundred or more members of a general public  
24 audience by computer or other electronic devices which: (i) expressly  
25 advocates the election or defeat of a clearly identified candidate or  
26 the success or defeat of a ballot proposal and (ii) such candidate, the  
27 candidate's political committee or its agents, or a political committee  
28 formed to promote the success or defeat of a ballot proposal or its  
29 agents, did not authorize, request, suggest, foster or cooperate in any  
30 such communication. Independent expenditures do not include: (A) a  
31 communication appearing in a written news story, commentary, or editori-  
32 al or distributed through the facilities of any broadcasting station,  
33 cable or satellite unless such publication or facilities are owned or  
34 controlled by any political party, political committee or candidate; or  
35 (B) a communication that constitutes a candidate debate or forum; or (C)  
36 a communication which constitutes an expenditure made by an entity  
37 required to report such expenditure with a board of elections.

38     (b) Notwithstanding any other limits on not-for-profit corporation  
39 contributions to, or expenditures on behalf of, candidates for public or  
40 party office, political committees, party committees or ballot referen-  
41 dum, before a not-for-profit corporation or any of its subsidiaries may  
42 make a contribution or independent expenditure, the not-for-profit  
43 corporation shall, at least annually, obtain the prior authorization by  
44 vote of a majority of the members voting on such resolution to make  
45 contributions or independent expenditures up to a stated aggregate annu-  
46 al amount for a stated business purpose.

47     (c) Any not-for-profit corporation, either by itself or its subsid-  
48 iaries, making a contribution or independent expenditure shall at least  
49 annually disclose to its members and file with the secretary of state an  
50 accounting of the contributions and independent expenditures used for  
51 such purposes, including:

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

53     (2) the amount of the contribution or independent expenditure; and

54     (3) the identity of the recipient of the contribution, or if an inde-  
55 pendent expenditure, the identity of the candidate, referendum, poli-

1 tical party, pending legislation, public policy or a government rule or  
2 regulation supported or opposed.

3 (d) The secretary of state shall post each not-for-profit corpo-  
4 ration's annual disclosure on the website maintained by the secretary of  
5 state.

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

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

10 § 35. Political contributions. 1. Definitions. When used in this  
11 section:

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

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

43 2. Notwithstanding any other limits on railroad corporation contrib-  
44 utions to or expenditures on behalf of political candidates, political  
45 committees, party committees, or ballot referendums, before a railroad  
46 corporation may make a contribution or independent expenditure, the  
47 railroad corporation shall at least annually obtain the prior authori-  
48 zation by vote of a majority of the shares or members cast on such  
49 resolution to make contributions or independent expenditures, up to a  
50 stated aggregate annual amount for a stated business purpose.

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

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



1 (b) the amount of the contribution or independent expenditure; and  
2 (c) the identity of the recipient of the contribution, or if an inde-  
3 pendent expenditure, the identity of the candidate, referendum, poli-  
4 tical party, pending legislation, public policy or a government rule or  
5 regulation supported or opposed.

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

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

10 § 9. The transportation corporations law is amended by adding a new  
11 section 8 to read as follows:

12 § 8. Political contributions. (a) Definitions. When used in this  
13 section:

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

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

45 (b) Notwithstanding any other limits on transportation corporation  
46 contributions to, or expenditures on behalf of, candidates for public or  
47 party office, political committees, party committees or ballot referen-  
48 dum, before a transportation corporation or any of its subsidiaries may  
49 make a contribution or independent expenditure, the transportation  
50 corporation shall, at least annually, obtain the prior authorization by  
51 vote of a majority of the shares cast on such resolution to make  
52 contributions or independent expenditures up to a stated aggregate annu-  
53 al amount for a stated business purpose.

54 (c) Any transportation corporation, either by itself or its subsid-  
55 aries, making contributions or independent expenditures shall at least  
56 annually disclose to its shareholders and file with the secretary of

1 state an accounting of the contributions and independent expenditures  
2 used for such purposes, including:

3 (1) the date of the contribution or independent expenditure;  
4 (2) the amount of the contribution or independent expenditure; and  
5 (3) 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.

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

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

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

16 § 5017. Political contributions. 1. Definitions. When used in this  
17 section:

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

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

49 2. Notwithstanding any other limits on corporation contributions to or  
50 expenditures on behalf of political candidates, political committees,  
51 party committees, or ballot referendums, before a corporation may make a  
52 contribution or independent expenditure, the corporation shall at least  
53 annually obtain the prior authorization by vote of a majority of the  
54 shares or members cast on such resolution to make contributions or inde-  
55 pendent expenditures, up to a stated aggregate annual amount for a stat-  
56 ed business purpose.

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

6     (a) the date of the contribution or independent expenditure;  
7     (b) the amount of the contribution or independent expenditure; and  
8     (c) the identity of the recipient of the contribution, or if an inde-  
9 pendent expenditure, the identity of the candidate, referendum, poli-  
10 tical party, pending legislation, public policy or a government rule or  
11 regulation supported or opposed.

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

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

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

18     § 510. Political contributions. (a) Definitions. When used in this  
19 section:

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

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

51     (b) Notwithstanding any other limits on contributions to, or expendi-  
52 tures on behalf of, candidates for public or party office, political  
53 committees, party committees or ballot referendum, before a limited  
54 liability company may make a contribution or independent expenditure,  
55 the limited liability company shall, at least annually, obtain the prior  
56 authorization by vote of a majority of the members or managers cast on

1 such resolution to make contributions or independent expenditures up to  
2 a stated aggregate annual amount for a stated business purpose.

3 (c) Any limited liability company, either by itself or its subsid-  
4 aries, making a contribution or independent expenditure shall at least  
5 annually disclose to its members or managers and file with the secretary  
6 of state an accounting of the contributions and independent expenditures  
7 used for such purposes, including:

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

9 (2) the amount of the contribution or independent expenditure; and

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.

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

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

18 § 12. Severability. If any clause, sentence, paragraph, section or  
19 part of this act shall be adjudged by any court of competent jurisdic-  
20 tion to be invalid and after exhaustion of all further judicial review,  
21 the judgment shall not affect, impair or invalidate the remainder there-  
22 of, but shall be confined in its operation to the clause, sentence,  
23 paragraph, section or part of this act directly involved in the contro-  
24 versy in which the judgment shall have been rendered.

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