

STATE OF NEW YORK

5882

2019-2020 Regular Sessions

IN SENATE

May 16, 2019

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Elections

AN ACT to amend the election law, in relation to permit or license applicant contributions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The election law is amended by adding a new section 14-131
2 to read as follows:

3 § 14-131. Permit or license applicant contributions. 1. (a) It shall
4 be unlawful during the restricted permit and license applicant contrib-
5 ution period for any person, organization, group of persons, or business
6 entity that submits an application for any permit or license to make a
7 contribution to any officeholder of or with authority over the state
8 governmental entity or entities responsible for issuing such permit or
9 license, evaluating permit or license applications for purposes of their
10 merit, or approving permit or license applications, or to any candidate
11 for an office of such governmental entity, including to such
12 officeholder's or candidate's authorized political committees or poli-
13 tical committees the officeholder or candidate exerts operational
14 control over. It shall further be unlawful, pursuant to section 14-120
15 of this article, to make contributions to political committees not
16 authorized or operationally controlled by the officeholder or candidate
17 for the purpose of transferring a contribution to the officeholder's or
18 candidate's authorized political committees or political committees they
19 exert operational control over.

20 (b) The state governmental entity directly responsible for issuing
21 such permit or license shall include a notice of the prohibition estab-
22 lished by this section in application materials and the state govern-
23 mental entity responsible for evaluating such applications shall provide
24 to any person, organization, group of persons, or business entity that
25 submits an application a notice of the prohibition established by this

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

LBD10978-03-9

1 section and the restricted permit and license applicant contribution
2 period commencement date.

3 2. As used in this section "business entity" means a business corpo-
4 ration, professional services corporation, limited liability company,
5 partnership, limited partnership, business trust, association or any
6 other legal commercial entity organized under the laws of this state or
7 any other state or foreign jurisdiction, including any subsidiary
8 directly or indirectly controlled by the business entity, any political
9 organization, including but not limited to any political organization
10 organized under section 527 of the Internal Revenue Code, that is
11 directly or indirectly controlled by the business entity and any owner,
12 officer, director or a spouse, child, parent, or sibling of an owner,
13 officer or director of such business entity.

14 3. The restricted permit and license applicant contribution period
15 described in this section shall commence, with respect to a specific
16 person, organization, group of persons, or business entity when it files
17 a statement of registration pursuant to section one-e of the legislative
18 law, or engages lobbying, as defined by subdivision (c) of section one-c
19 of the legislative law, to receive a permit or license or submits an
20 application to the state governmental entity responsible for issuing a
21 permit or license. The restricted permit and license applicant contrib-
22 ution period does not apply to a person, organization, group of persons
23 or business entity that is responding to a state governmental entity's
24 request for information or other informational exchanges occurring prior
25 to such person, organization, group of persons or business entity
26 submitting a permit or license application provided it has not filed a
27 statement of registration pursuant to section one-e of the legislative
28 law or engaged in lobbying, as defined by subdivision (c) of section
29 one-c of the legislative law, to receive a permit or license.

30 4. The restricted permit and license applicant contribution period
31 described in this section shall end with respect to a specific person,
32 organization, group of persons, or business entity if:

33 (a) the person, organization, group of persons, or business entity is
34 the recipient of the applied for permit or license, the restricted
35 permit and license applicant contribution period shall end six months
36 after the issuance of the permit or license by the state governmental
37 entity and, where applicable, the state comptroller and if the person,
38 organization, group of persons or business entity does not lobby on the
39 permit or license after its issuance; or

40 (b) the person, organization, group of persons, or business entity's
41 application for a permit or license is denied, the restricted permit and
42 license applicant contribution period shall end with the issuance of
43 notification of the denial by the state governmental entity and, where
44 applicable, the state comptroller.

45 5. The restricted permit and license applicant contribution period
46 shall recommence if a person, organization, group of persons or business
47 entity engages in activity pursuant to subdivision three of this section
48 and, where the application for a permit or license was denied and the
49 same permit or license is reapplied for within five years of the denial,
50 shall be deemed to have not ended under subdivision four of this
51 section.

52 § 2. Section 14-126 of the election law is amended by adding a new
53 subdivision 8 to read as follows:

54 8. (a) Any person, organization, group of persons, or business entity
55 as that term is used in section 14-131 of this article, who, under
56 circumstances evincing an intent to violate such laws, makes a contrib-

1 ution in contravention of section 14-131 of this article shall be
2 subject to a civil penalty not to exceed the greater of ten thousand
3 dollars or an amount equal to two hundred percent of the contribution,
4 to be recoverable in a special proceeding or civil action to be brought
5 by the state board of elections chief enforcement counsel.

6 (b) Any person who, acting as or on behalf of an officeholder, candi-
7 date, or political committee, accepts a contribution or receives a
8 transfer in contravention of section 14-131 of this article shall be
9 required to refund such contribution.

10 § 3. This act shall take effect on the one hundred eightieth day after
11 it shall have become a law.