

STATE OF NEW YORK

6116

2019-2020 Regular Sessions

IN SENATE

May 16, 2019

Introduced by Sen. SAVINO -- 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 authorizing a change of party affiliation 25 days prior to the next ensuing primary, general or special election, overhauling campaign financing and providing a voluntary financing program for campaigns for state officers; to amend the general business law, in relation to authorizing the imposition of an additional surcharge on recoveries for fraudulent practices relating to stocks, bonds and other securities; to amend the state finance law, in relation to establishing the New York state campaign finance fund and providing for transfers thereto from the abandoned property fund; to amend the tax law, in relation to providing for a New York state campaign finance fund check-off; and to repeal certain provisions of the election law relating thereto

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 "integrity in elections act of 2019".

3 § 2. Legislative intent. The legislature declares that it is in the
4 public interest to create and ensure a truly democratic political
5 system, one of the highest integrity, in which citizens, regardless of
6 their income, status or financial wealth, are enabled and encouraged to
7 compete for public office. The legislature further declares that present
8 campaign finance laws must be amended to ensure that the voices of indi-
9 vidual small contributors are heard and that elections are conducted in
10 a fair and open manner.

11 Therefore, the legislature finds it necessary to establish a voluntary
12 system for the financing of campaigns for all qualified candidates for
13 state elective offices and constitutional convention delegates. The
14 legislature further finds that this new system which provides matching
15 funds for small contributions from individuals allows increased citizen

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

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1 participation in state elections. The legislature also creates a new
2 campaign finance board placed within and working hand in hand with the
3 state board of elections to provide effective oversight and enforcement
4 of the voluntary campaign financing system. Finally, the legislature
5 lowers contribution limits for all contributors, whether or not the
6 candidate participates in the voluntary system, thereby removing the
7 influence of large contributions in state and local elections.

8 § 3. Subdivision 3 of section 5-304 of the election law, as amended by
9 chapter 90 of the laws of 1991, is amended to read as follows:

10 3. A change of enrollment received by the board of elections, showing
11 a dated cancellation mark of the United States Postal Service or
12 contained in an envelope showing such cancellation mark which is dated,
13 not later than the twenty-fifth day before the [~~general election shall~~
14 ~~be deposited in a sealed enrollment box, which shall not be opened until~~
15 ~~the first Tuesday following such general election. Such change of~~
16 ~~enrollment shall be then removed and entered as provided in this arti-~~
17 ~~cle~~] next ensuing primary, general or special election or delivered in
18 person to such county board of elections not later than the twenty-fifth
19 day before a primary, general or special election, shall be effective
20 for such election. Enrollment changes shall be entered as provided in
21 this article and shall be deemed to take effect on the fifth day after
22 such change of enrollment is received by the board of elections or if
23 the change of enrollment, or the envelope containing it, bears a dated
24 cancellation mark of the United States Postal Service, such change shall
25 be entered and shall be deemed to take effect on the tenth day after the
26 date of such mark, whichever is earlier; except that no change will take
27 effect sooner than the fifth day after the receipt of such change of
28 enrollment by the board of elections.

29 § 4. Subdivision 10 of section 14-100 of the election law, as added by
30 chapter 8 of the laws of 1978 and as redesignated by chapter 9 of the
31 laws of 1978, is amended and a new subdivision 18 is added to read as
32 follows:

33 10. "transfer" means any exchange of funds or any thing of value
34 between political committees authorized by the same candidate and taking
35 part solely in his or her campaign[~~, or any exchange of funds between a~~
36 ~~party or constituted committee and a candidate or any of his authorized~~
37 ~~political committees~~].

38 18. "board", "state board" or "state board of elections" means the
39 campaign finance board as established in title two of this article.

40 § 5. Subdivision 1 of section 14-102 of the election law, as amended
41 by chapter 8 of the laws of 1978 and as redesignated by chapter 9 of the
42 laws of 1978, is amended to read as follows:

43 1. The treasurer of every political committee which, or any officer,
44 member or agent of any such committee who, in connection with any
45 election, receives or expends any money or other valuable thing or
46 incurs any liability to pay money or its equivalent shall file state-
47 ments sworn, or subscribed and bearing a form notice that false state-
48 ments made therein are punishable as a class A misdemeanor pursuant to
49 section 210.45 of the penal law, at the times prescribed by this [~~arti-~~
50 ~~cle~~] title setting forth all the receipts, contributions to and the
51 expenditures by and liabilities of the committee, and of its officers,
52 members and agents in its behalf. Such statements shall include the
53 dollar amount of any receipt[~~, or~~ contribution [~~or transfer~~], or the
54 fair market value of any receipt[~~, or~~ contribution [~~or transfer~~], which
55 is other than of money, the name and address of the [~~transferor,~~
56 contributor or person from whom received, and [~~if the transferor,~~

~~contributor or person is]~~ for any transfer, contribution or receipt made
by a political committee; the name of and the political unit represented
by the committee, the date of its receipt, the dollar amount of every
expenditure, the name and address of the person to whom it was made or
the name of and the political unit represented by the committee to which
it was made and the date thereof, and shall state clearly the purpose of
such expenditure. Any statement reporting a loan shall have attached to
it a copy of the evidence of indebtedness. Expenditures in sums under
fifty dollars need not be specifically accounted for by separate items
in said statements, and receipts and contributions aggregating not more
than ninety-nine dollars, from any one contributor need not be specif-
ically accounted for by separate items in said statements, provided
however, that such expenditures, receipts and contributions shall be
subject to the other provisions of section 14-118 of this ~~[article]~~
title.

§ 6. Subdivisions 1 and 3 of section 14-114 of the election law,
subdivision 1 as amended by chapter 79 of the laws of 1992, paragraphs a
and b of subdivision 1 as amended by chapter 659 of the laws of 1994 and
subdivision 3 as amended by chapter 517 of the laws of 1986, are amended
to read as follows:

1. The following limitations apply to all contributions to candidates
for election to any public office or for nomination for any such office,
or for election to any party positions, and to all contributions to
political committees working directly or indirectly with any candidate
to aid or participate in such candidate's nomination or election, other
than any contributions to any party committee or constituted committee:

a. In any election for a public office to be voted on by the voters of
the entire state, or for nomination to any such office, no contributor
may make a contribution to any candidate or political committee, and no
candidate or political committee may accept any contribution from any
contributor, which is in the aggregate amount greater than: (i) in the
case of any nomination to public office, ~~[the product of the total~~
~~number of enrolled voters in the candidate's party in the state, exclud-~~
~~ing voters in inactive status, multiplied by \$.005, but such amount~~
~~shall be not less than four thousand dollars nor more than twelve]~~ two
thousand six hundred dollars ~~[as increased or decreased by the cost of~~
~~living adjustment described in paragraph c of this subdivision]~~, and
(ii) in the case of any election to a public office, ~~[twenty-five]~~ two
thousand six hundred dollars ~~[as increased or decreased by the cost of~~
~~living adjustment described in paragraph c of this subdivision]~~;
provided however, that the maximum amount contributed by any contributor
or accepted by any candidate or political committee for both a primary
and a general election shall not exceed two thousand six hundred
dollars; and provided further that the maximum amount which may be so
contributed or accepted~~[, in the aggregate,]~~ from any candidate's child,
parent, grandparent, brother ~~[and]~~ or sister, ~~[and]~~ or the spouse of any
such persons, shall not exceed ~~[in the case of any nomination to public~~
~~office an amount equivalent to the product of the number of enrolled~~
~~voters in the candidate's party in the state, excluding voters in inac-~~
~~tive status, multiplied by \$.025, and in the case of any election for a~~
~~public office, an amount equivalent to the product of the number of~~
~~registered voters in the state excluding voters in inactive status,~~
~~multiplied by \$.025]~~ two thousand six hundred dollars. For the purposes
of this subdivision, the term "child" shall include persons eighteen
years of age or older.

b. In any other election for party position or for election to a public office or for nomination for any such office, no contributor may make a contribution to any candidate or political committee and no candidate or political committee may accept any contribution from any contributor, which ~~[is in the aggregate amount greater than]~~ shall not exceed: (i) in the case of any election for party position, or for nomination to public office, the product of the total number of enrolled voters in the candidate's party in the district in which he is a candidate, excluding voters in inactive status, multiplied by \$.05, or two thousand six hundred dollars, and (ii) in the case of any election for a public office, the product of the total number of registered voters in the district, excluding voters in inactive status, multiplied by \$.05, or two thousand six hundred dollars, however in the case of a nomination within the city of New York for the office of mayor, public advocate or comptroller, such amount shall be not less than four thousand dollars nor more than twelve thousand dollars ~~[as increased or decreased by the cost of living adjustment described in paragraph c of this subdivision]~~; in the case of an election within the city of New York for the office of mayor, public advocate or comptroller, twenty-five thousand dollars ~~[as increased or decreased by the cost of living adjustment described in paragraph c of this subdivision]~~; in the case of a nomination for state senator, ~~[four]~~ two thousand six hundred dollars ~~[as increased or decreased by the cost of living adjustment described in paragraph c of this subdivision]~~; in the case of an election for state senator, ~~[six]~~ two thousand ~~[two]~~ six hundred ~~[fifty]~~ dollars ~~[as increased or decreased by the cost of living adjustment described in paragraph c of this subdivision]~~; in the case of an election or nomination for a member of the assembly, ~~[twenty-five]~~ two thousand six hundred dollars ~~[as increased or decreased by the cost of living adjustment described in paragraph c of this subdivision]~~; but in no event shall any such maximum ~~[exceed fifty thousand dollars or]~~ be less than one thousand dollars; provided however, that the maximum amount which may be so contributed or accepted~~[, in the aggregate,]~~ from any candidate's child, parent, grandparent, brother ~~[and]~~ or sister, ~~[and]~~ or the spouse of any such persons, shall not exceed in the case of any election for party position or nomination for public office an amount equivalent to the number of enrolled voters in the candidate's party in the district in which he is a candidate, excluding voters in inactive status, multiplied by \$.25 and in the case of any election to public office, an amount equivalent to the number of registered voters in the district, excluding voters in inactive status, multiplied by \$.25; or ~~[twelve]~~, two thousand six hundred ~~[fifty]~~ dollars, ~~[whichever is greater,]~~ or in the case of a nomination or election of a state senator, ~~[twenty]~~ two thousand six hundred dollars, ~~[whichever is greater,]~~ or in the case of a nomination or election of a member of the assembly ~~[twelve]~~ two thousand ~~[five]~~ six hundred dollars~~[, whichever is greater, but in no event shall any such maximum exceed one hundred thousand dollars]~~; provided, however, that the maximum amount contributed by any contributor or accepted by any candidate or political committee for both a primary and a general election shall not exceed two thousand six hundred dollars; and provided, further that the maximum amount which may be so contributed or accepted from any candidate's child, parent, grandparent, brother or sister, or the spouse of any such persons, shall not exceed two thousand six hundred dollars for the nomination and election to a public office. For the purposes of this subdivision, the term "child" shall mean persons eighteen years of age or older.

~~[c. At the beginning of each fourth calendar year, commencing in nineteen hundred ninety five, the state board shall determine the percentage of the difference between the most recent available monthly consumer price index for all urban consumers published by the United States bureau of labor statistics and such consumer price index published for the same month four years previously. The amount of each contribution limit fixed in this subdivision shall be adjusted by the amount of such percentage difference to the closest one hundred dollars by the state board which, not later than the first day of February in each such year, shall issue a regulation publishing the amount of each such contribution limit. Each contribution limit as so adjusted shall be the contribution limit in effect for any election held before the next such adjustment.]~~

3. As used in this section the term "contributor" shall ~~[not]~~ include a party committee supporting the candidate of such party or a constituted committee supporting the candidate of such party.

§ 7. Subdivision 6 of section 14-114 of the election law is REPEALED.

§ 8. Subdivision 10 of section 14-114 of the election law, as added by chapter 79 of the laws of 1992, is amended to read as follows:

10.~~[a.]~~ No contributor may make a contribution to a party or constituted committee and no such committee may accept a contribution from any contributor which, in the aggregate, is greater than ~~[sixty-two]~~ ten thousand ~~[five hundred]~~ dollars per annum.

~~[b. At the beginning of each fourth calendar year, commencing in nineteen hundred ninety five, the state board shall determine the percentage of the difference between the most recent available monthly consumer price index for all urban consumers published by the United States bureau of labor statistics and such consumer price index published for the same month four years previously. The amount of such contribution limit fixed in paragraph a of this subdivision shall be adjusted by the amount of such percentage difference to the closest one hundred dollars by the state board which, not later than the first day of February in each such year, shall issue a regulation publishing the amount of such contribution limit. Such contribution limit as so adjusted shall be the contribution limit in effect for any election held before the next such adjustment.]~~

§ 9. Subdivision 2 of section 14-116 of the election law, as amended by chapter 4 of the laws of 2019, is amended to read as follows:

2. a. Notwithstanding [the provisions of subdivision one of this section, any corporation or an organization financially supported in whole or in part, by such corporation, any limited liability company or other corporate entity may make expenditures, including contributions, not otherwise prohibited by law, for political purposes, in an amount not to exceed five thousand dollars in the aggregate in any calendar year, provided that no public utility shall use revenues received from the rendition of public service within the state for contributions for political purposes unless such cost is charged to the shareholders of such a public service corporation] any other provision of law to the contrary, no contribution, loan, loan guarantee or other security for such a loan from any corporation, limited liability company, limited liability partnership or partnership, other than in the regular course of the lender's business, may be accepted by a candidate or a political committee, other than a corporation, limited liability company, limited liability partnership or partnership that is a political committee, for all nominations to any office or election to any office.

b. A loan made to a candidate or political committee, other than a constituted committee, by any person, firm or association shall be

1 repaid by the date of the primary, special or general election, as the
2 case may be, or such loan shall be considered a contribution by such
3 person, firm or association including any person endorsing, cosigning,
4 guaranteeing, collateralizing or other providing security for the loan.

5 § 10. Subdivision 3 of section 14-124 of the election law is REPEALED.

6 § 11. The election law is amended by adding a new section 14-125 to
7 read as follows:

8 § 14-125. New York state business contract database. 1. a. As used in
9 this section:

10 (i) the term "business relationships with the state" shall mean any
11 contract for the procurement of goods, services or construction that is
12 entered into or in effect with the state of New York or any agency or
13 entity affiliated thereto not awarded through a competitive bid process
14 pursuant to articles nine and eleven of the state finance law. Business
15 relationships with the state shall not mean any person or entity
16 rejected from participation in such a contract or any person or entity
17 not participating in such a contract within twenty-four months of any
18 election.

19 (ii) the term "New York state business contract database" shall mean a
20 database created, operated, maintained and updated by the state comp-
21 troller accessible to the public which contains the names of persons who
22 have business relationships with the state. Such database shall be
23 created, operated, maintained and updated by the state comptroller in a
24 manner so as to ensure its reasonable accuracy and completeness;
25 provided, however, that in no event shall such database be updated less
26 frequently than once a month in any general election year. Such database
27 shall enable members of the public to determine if a given person has a
28 business relationship with the state.

29 (iii) the term "person" shall include any chief executive officer,
30 chief financial officer or chief operating officer of such entity or
31 persons serving in an equivalent capacity, any person employed in a
32 senior managerial capacity regarding such entity, or any person with an
33 interest in such entity which exceeds ten percent of the value of such
34 entity at fair market value.

35 (iv) the term "senior managerial capacity" shall mean a high level
36 supervisory capacity, either by virtue of title or duties, in which
37 substantial discretion and oversight is exercised over the solicitation,
38 letting or administration of business transactions with the state,
39 including contracts, franchises, concession, grants, economic develop-
40 ment agreements and application for land use approvals.

41 b. Any database maintained by the comptroller as of the effective date
42 of this section may serve as the New York state business contract data-
43 base upon certification by the comptroller to the chairman of the
44 campaign finance board that such database fulfills the requirements of
45 this section. Every state agency or authority of the state including any
46 entity affiliated thereto shall provide the comptroller with such infor-
47 mation as is necessary to construct, modify and maintain such database
48 in a timely manner.

49 2. a. Neither a candidate participating in the voluntary campaign
50 finance program established pursuant to this article, nor a political
51 committee of such candidate shall accept contributions for a covered
52 election which in the aggregate exceeds four hundred dollars from a
53 person or entity who has a business relationship with the state.

54 b. Neither a candidate who does not participate in a voluntary
55 campaign finance program pursuant to this article nor a political
56 committee of such candidate shall accept contributions for a covered

1 election which in the aggregate exceeds four hundred dollars from a
2 person or entity who has a business relationship with the state.

3 c. No contribution pursuant to this section to a candidate or to a
4 political committee of such candidate shall be eligible for matching
5 contributions pursuant to title two of this article.

6 d. If the campaign finance board determines that any contribution to a
7 candidate or to the political committee of such candidate violates the
8 provisions of this section, the campaign finance board shall notify such
9 candidate within twenty days of such determination and such candidate or
10 candidate's political committee shall make a reasonable attempt to
11 return such contribution to the contributor; provided, however, that if
12 such candidate or the political committee of such candidate is unable to
13 return such contribution, such monies shall be paid to the campaign
14 finance board for payment into the New York state campaign finance fund
15 pursuant to section ninety-nine-hh of the state finance law.

16 e. The state comptroller and the chairman of the campaign finance
17 board shall promulgate such rules and regulations as the comptroller and
18 the chairman deem necessary for the administration of this section.

19 § 12. The article heading of article 14 of the election law is amended
20 to read as follows:

21 CAMPAIGN [~~RECEIPTS AND EXPENDITURES~~] FINANCE

22 § 13. Sections 14-100 through 14-132 of article 14 of the election law
23 are designated title 1 and a new title heading is added to read as
24 follows:

25 CAMPAIGN RECEIPTS AND EXPENDITURES

26 § 14. Article 14 of the election law is amended by adding a new title
27 2 to read as follows:

28 TITLE II

29 MATCHING FINANCING

30 Section 14-200. Applicability and definitions.

31 14-202. Reporting requirements.

32 14-204. Contribution and receipt limitations.

33 14-206. Proof of compliance.

34 14-208. Eligibility.

35 14-212. Payment of matching funds.

36 14-214. Use of matching funds; qualified campaign expenditures.

37 14-216. Campaign finance board; general powers and duties.

38 14-218. Audits and repayments.

39 14-220. Civil enforcement.

40 14-222. Criminal penalties.

41 14-224. Reports.

42 14-226. Debates.

43 14-228. Distributions from campaign finance fund.

44 § 14-200. Applicability and definitions. This title shall apply exclu-
45 sively to the financing of campaigns of candidates for the nomination
46 for election, and for election to, the offices of governor, lieutenant
47 governor, state comptroller, attorney general, member of the assembly,
48 state senator and delegate to a constitutional convention. For purposes
49 of this title, the following terms shall have the following meanings:

50 1. "Authorized committee" means a political committee designated by a
51 candidate pursuant to section 14-202 of this title to receive contrib-
52 utions and make expenditures in support of such candidate's campaign. No

1 more than one authorized committee may be designated by a candidate in
2 any election cycle.

3 2. "Board" or "campaign finance board" means the board created by
4 section 14-216 of this title to administer the campaign finance fund.

5 3. "Campaign participant" means the candidate, or any campaign member,
6 campaign volunteer, or campaign consultant.

7 4. "Candidate" means any candidate for nomination for election, or for
8 election to, the offices of governor, lieutenant governor, state comp-
9 troller, attorney general, member of the assembly, state senator and
10 delegate to a constitutional convention whether such candidate is a
11 "participating candidate" or "nonparticipating candidate" as defined in
12 this section.

13 5. "Contribution" means:

14 (a) any gift, subscription, outstanding loan (to the extent provided
15 for in section 14-114 of this article), advance, or deposit of money or
16 anything of value, made in connection with the nomination for election,
17 or election, of any candidate, or made to promote the success or defeat
18 of a political party or principle, or of any ballot proposal;

19 (b) any payment, by any person other than a candidate or an authorized
20 committee, made in connection with the nomination for election or
21 election of any candidate, or any payment made to promote the success or
22 defeat of a political party or principle, or of any ballot proposal
23 including but not limited to compensation for the personal services of
24 any individual which are rendered in connection with a candidate's
25 election or nomination without charge; provided however, that none of
26 the foregoing shall be deemed a contribution if it is made, taken or
27 performed by a candidate or his or her spouse or by a person or a poli-
28 tical committee independent of the candidate or his or her agents or
29 political committees. For purposes of this title, the term "independent
30 of the candidate or his or her agents or political committees" shall
31 mean that the candidate or his or her agents or political committee did
32 not authorize, request, suggest, foster or cooperate in any such activ-
33 ity; and provided further, that the term contribution shall not include:

34 (i) the value of services provided without compensation by individuals
35 who volunteer a portion or all of their time on behalf of a candidate or
36 political committee;

37 (ii) the use of real or personal property and the cost of invitations,
38 food and beverages voluntarily provided by an individual to a candidate
39 or political committee on the individual's residential premises for
40 candidate-related activities to the extent such services do not exceed
41 five hundred dollars in value;

42 (iii) the travel expenses of any individual who on his or her own
43 behalf volunteers his or her personal services to any candidate or poli-
44 tical committee to the extent such expenses are unreimbursed and do not
45 exceed five hundred dollars in value; and

46 (iv) expenditures by a bona fide membership organization in support of
47 the following activities by members of the organization who are volun-
48 teering their time on behalf of a candidate, not to exceed twenty-five
49 dollars per member who volunteer for: (1) transportation of volunteers
50 to and from campaign activities; (2) cost of feeding volunteers while
51 volunteering for the campaign; and (3) materials such as badges and
52 clothing that identifies the name of the organization or candidate; and

53 (c) any funds received by a political committee from another political
54 committee to the extent such funds do not constitute a transfer.

55 6. "Contributor" means an entity, including, but not limited to,
56 natural persons, associations and bona fide membership organizations,

1 that makes a contribution, as defined in subdivision four of this
2 section and pursuant to section 14-116 of this article.

3 7. "Covered election" means any primary election for nomination,
4 special or general election for election, to the offices of governor,
5 lieutenant governor, state comptroller, attorney general, member of the
6 assembly, state senator and delegate to a constitutional convention.

7 8. "Election cycle" means (a) the four year period starting the day
8 after the general election and ending on the day of the next succeeding
9 general election for the offices of governor, lieutenant governor, state
10 comptroller and attorney general, (b) the two year period starting the
11 day after the general election and ending on the date of the next
12 succeeding general election for candidates for the offices of state
13 senator and member of the assembly, and (c) six months prior to any
14 special election ending on the day after such special election.

15 9. "Expenditure" means any gift, subscription, advance, payment, or
16 deposit of money or anything of value, or a contract to make any gift,
17 subscription, payment, or deposit of money or anything of value, made in
18 connection with the nomination for election, or election, of any candi-
19 date. Expenditures made by contract are deemed made when such funds are
20 obligated.

21 10. "Fund" means the campaign finance fund created by section ninety-
22 nine-hh of the state finance law.

23 11. "Family or household members" mean the following individuals:

24 (a) persons related by consanguinity or affinity;

25 (b) persons legally married to one another;

26 (c) persons formerly married to one another regardless of whether they
27 still reside in the same household;

28 (d) persons who have a child in common regardless of whether such
29 persons are married or have lived together at any time; or

30 (e) persons who are not related by consanguinity or affinity and who
31 are or have been in an intimate relationship regardless of whether such
32 persons have lived together at any time.

33 12. "Item with significant value" means any item, including any item
34 valued at twenty-five dollars or more.

35 13. "Legislative leader" means any of the following: the temporary
36 president of the senate; the speaker of the assembly; the minority lead-
37 er of the senate; or the minority leader of the assembly.

38 14. "Matchable contribution" means a contribution, contributions or
39 such portion of a contribution or contributions made by a natural person
40 residing in the state of New York at the time of such contribution, with
41 a value not to exceed two hundred fifty dollars, to a participating
42 candidate for any primary and a contribution, contributions or such
43 portion of a contribution or contributions made by a natural person
44 residing in the state of New York at the time of such contribution with
45 a value not to exceed two hundred fifty dollars to a participating
46 candidate for a general election held in the same election cycle or to a
47 participating candidate in a special election that has been reported in
48 full to the state board of elections in accordance with sections 14-102,
49 14-104 and 14-108 of this article by the candidate's authorized commit-
50 tee and has been contributed on or before the date of the applicable
51 primary or general or special election in any election cycle. Any
52 contribution, contributions, or such portion of a contribution or
53 contributions determined to be invalid for matching funds by the
54 campaign finance board pursuant to the provisions of this title may not
55 be treated as a matchable contribution. In addition, the following
56 contributions are not matchable: (a) loans; (b) in-kind contributions of

1 property, goods, or services; (c) contributions in the form of the
2 purchase price paid for an item with significant value; (d) anonymous
3 contributions or contributions whose source is not itemized as required
4 by section 14-202 of this title; (e) contributions received during a
5 previous election cycle; (f) illegal contributions; and (g) contribu-
6 tions from individuals under the age of eighteen years at the time the
7 contribution is made.

8 15. "Nonparticipating candidate" shall mean a candidate for the office
9 of governor, lieutenant governor, state comptroller, attorney general,
10 member of the assembly, state senator or delegate to a constitutional
11 convention for a covered election who fails to file a written certif-
12 ication in the form of an affidavit pursuant to section 14-208 of this
13 title.

14 16. "Participating candidate" shall mean any candidate for nomination
15 for election, or election, to the offices of governor, lieutenant gover-
16 nor, state comptroller, attorney general, member of the assembly, state
17 senator and delegate to a constitutional convention who files a written
18 certification in the form of an affidavit pursuant to section 14-208 of
19 this title.

20 17. "Political committee" means a committee as defined in section
21 14-100 of this article.

22 18. "Matching funds" means monies paid from the campaign finance fund
23 to the authorized committee of participating candidates pursuant to this
24 title.

25 19. "Qualified campaign expenditure" shall mean an expenditure for
26 which matching funds may be used.

27 20. "Threshold for eligibility" shall mean the amount of matchable
28 contributions that a candidate's authorized committee must receive in
29 total in order for such candidate to qualify for matching funds under
30 this article.

31 21. "Transfer" shall mean any exchange of funds or any thing of value
32 between political committees authorized by the same candidate taking
33 part solely in his or her campaign.

34 § 14-202. Reporting requirements. 1. Every participating candidate
35 shall designate only one authorized committee to be eligible to receive
36 contributions of matching funds. Before receiving any such contribution
37 or making any expenditure therefrom for a covered election, each partic-
38 ipating candidate shall notify the state board of elections and the
39 campaign finance board as to the existence of his or her eligible
40 authorized committee that has been designated and approved by such
41 candidate. Such authorized committee shall, before receiving any
42 contribution or making any expenditure for a covered election: (a)
43 designate a treasurer; (b) obtain a tax identification number from the
44 internal revenue service; and (c) submit to the state board of
45 elections, either in writing or electronically, the identification
46 number of the committee designated to be eligible to receive matching
47 funds.

48 2. Disclosure. (a) Every participating candidate shall submit such
49 reports to the state board of elections as required by title one of this
50 article. Copies of such reports shall also be submitted to the campaign
51 finance board created pursuant to this article at the same time such
52 reports are submitted to the state board of elections.

53 (b) The campaign finance board shall review each disclosure report
54 filed with the state board of elections pursuant to title one of this
55 article and shall inform participating candidates and political commit-
56 tees including the authorized committee, of relevant questions the board

1 has concerning: (i) compliance with requirements of this title and of
2 the rules issued by the board; and (ii) qualifications for receiving
3 public matching funds pursuant to this title. In the course of such
4 review, the board shall give candidates and political committees includ-
5 ing the authorized committee, an opportunity to respond to and correct
6 potential violations and give candidates an opportunity to address ques-
7 tions the board has concerning their matchable contribution claims or
8 other issues concerning eligibility for receiving matching funds pursu-
9 ant to this title. Nothing in this paragraph shall preclude the board
10 from subsequently reviewing such a disclosure report and taking any
11 action otherwise authorized by this title.

12 (c) Only itemized contributions contained in reports filed with the
13 state board of elections shall be eligible for matching funds pursuant
14 to this title.

15 § 14-204. Contribution and receipt limitations. 1. A participating
16 candidate and his or her authorized committee shall not accept, either
17 directly or indirectly:

18 (a) total contributions from any one contributor that exceed two thou-
19 sand six hundred dollars in any primary in an election cycle for the
20 offices of governor, lieutenant governor, state comptroller, attorney
21 general, member of the assembly, state senator and delegate to a consti-
22 tutional convention and two thousand six hundred dollars for a general
23 or special election in an election cycle for the offices of governor,
24 lieutenant governor, state comptroller, attorney general, member of the
25 assembly, state senator or delegate to a constitutional convention,
26 provided, however, that not more than two thousand six hundred dollars
27 may be received by a candidate from a contributor per election cycle; or

28 (b) any contribution from a political committee that has not regis-
29 tered with the state board of elections or has not registered with the
30 appropriate entity as required by law.

31 2. All monetary contributions and all matching funds accepted by a
32 candidate's authorized committee shall be deposited into an account with
33 a bank licensed by the department of financial services held in the name
34 of the authorized political committee within ten business days of
35 receipt. Each authorized committee shall have no more than one checking
36 account. Monetary contributions, other than matching funds, may be
37 invested in accordance with the provisions of law relating thereto.

38 3. Contributions to candidates in covered elections shall, for each
39 election cycle, in all other respects, be subject to the limitations and
40 provisions of title one of this article.

41 § 14-206. Proof of compliance. Candidates and political committees
42 shall maintain such records of receipts and expenditures for a covered
43 election as may be required by the campaign finance board. Candidates
44 and political committees shall obtain and furnish to the board any
45 information it may request relating to the financial transactions or
46 contributions of candidates and political committees and furnish such
47 documentation and other proof of compliance with this title as may be
48 requested by the board. Candidates and political committees shall main-
49 tain copies of such records for a period of five years following a
50 general election.

51 § 14-208. Eligibility. 1. To be eligible for matching funds pursuant
52 to this title, a candidate must: (a) be a candidate for the offices of
53 governor, lieutenant governor, state comptroller, attorney general,
54 member of the assembly, state senator or delegate to a constitutional
55 convention in a covered election; (b) satisfy all the requirements of
56 law to have his or her name on the ballot; (c) in the case of a covered

1 general election, be opposed by another candidate on the ballot who is
2 not a write-in candidate; (d) submit a certification in the form of an
3 affidavit, in such form as may be prescribed by the campaign finance
4 board, that sets forth his or her agreement to comply with the terms and
5 conditions for the provision of such funds in each covered election
6 which shall be filed with such board no later than June first of an
7 election year; (e) be certified as a participating candidate by such
8 board not later than two weeks after the filing of such affidavit; (f)
9 not make, and not have made, expenditures from, or use, his or her
10 personal funds or property or personal funds or property jointly held
11 with his or her spouse, domestic partner, or child in connection with
12 his or her nomination for election or election to a covered office
13 except as a contribution to his or her authorized committee in an amount
14 that exceeds the applicable contribution limit of an individual contrib-
15 utor to candidates for the office that he or she is seeking; (g) meet
16 the threshold for eligibility set forth in subdivision two of this
17 section; (h) abide by the requirements set forth in this title and chap-
18 ter during the post-election period; (i) no candidate shall be eligible,
19 if the candidate or family or household member as defined in subdivision
20 eleven of section 14-200 of this title has been convicted of public
21 corruption as defined in section 496.06 of the penal law; and (j) no
22 candidate shall be eligible if the candidate or any campaign participant
23 has been found to be in previous violation of any public financing or
24 matching fund program rules, regulations or any provision of campaign
25 finance law.

26 2. The threshold for eligibility for matching funds for candidates in
27 a primary, general or special election for the following offices shall
28 be:

29 (a) governor in a primary or general election. The receipt of not less
30 than six hundred fifty thousand dollars from at least six thousand five
31 hundred matchable contributions in single amounts of no more than two
32 hundred fifty dollars from natural persons residing in the state;

33 (b) lieutenant governor in a primary election and state comptroller or
34 attorney general in a primary or general election. The receipt of not
35 less than two hundred thousand dollars from at least two thousand match-
36 able contributions in single amounts of no more than two hundred fifty
37 dollars from natural persons residing in the state;

38 (c) state senators in a primary, general or special election. The
39 receipt of not less than twenty thousand dollars in matchable contrib-
40 utions in single amounts of no more than two hundred fifty dollars from
41 natural persons residing in the state, including at least ten thousand
42 dollars from at least one hundred contributors who reside in the senate
43 district or reside in any portion of any county which constitutes any
44 measure of the district in which the seat is to be filled;

45 (d) members of the assembly in a primary, general or special election.
46 The receipt of not less than ten thousand dollars in matchable contrib-
47 utions in single amounts of no more than two hundred fifty dollars from
48 natural persons residing in the state, including at least five thousand
49 dollars from at least fifty contributors who reside in the assembly
50 district or reside in any portion of any county which constitutes any
51 measure of the district in which the seat is to be filled;

52 (e) at-large delegate to a constitutional convention in a primary or a
53 general election. The receipt of not less than twenty thousand dollars
54 in matchable contributions in single amounts of no more than two hundred
55 fifty dollars from natural persons residing in the state; and

1 (f) district delegate to a constitutional convention in a primary or
2 general election. The receipt of not less than five thousand dollars in
3 at least fifty matchable contributions in single amounts of no more than
4 two hundred fifty dollars from natural persons residing in the district
5 or in the constituent county or residing in any portion of any county
6 which constitutes any measure of the district in which the seat is to be
7 filled.

8 3. (a) Candidates who are contested in a primary election and who do
9 not seek matching funds shall not be eligible for matching funds for the
10 general election in that year. The provisions of this subdivision shall
11 not apply to candidates for the office of lieutenant governor.

12 (b) Candidates who are unopposed in a general or special election
13 shall not be eligible to receive matching funds.

14 (c) No candidate for election to an office in a primary, general or
15 special election who has elected to participate in the voluntary
16 campaign financing system shall be deemed opposed and be eligible for
17 matching funds unless there is at least one other candidate, as defined
18 by subdivision seven of section 14-100 of this article for such office
19 for such election.

20 (d) Any participating candidate meeting the threshold for eligibility
21 in a primary election shall be deemed to have met the threshold for
22 eligibility for such office in any other election held in the same
23 election cycle.

24 (e) No participating candidate for nomination to an office who is
25 unopposed in a primary election shall be eligible for matching for qual-
26 ified campaign expenditures, provided, however, that where a contest
27 occurs in a primary for the nomination of at least one other party for
28 office, the authorized committee of an unopposed participating candidate
29 for nomination may raise and spend an amount equal to one-half of the
30 matching funds receipt limit for such office, as fixed by this title for
31 candidates who have elected to accept matching funds, with contributions
32 of up to two thousand six hundred dollars per contributor pursuant to
33 section 14-204 of this title.

34 § 14-212. Payment of matching funds. 1. No matching funds shall be
35 paid to an authorized committee unless the campaign finance board deter-
36 mines that the participating candidate has qualified pursuant to this
37 title. Payment shall not exceed the amounts specified in this section
38 and may be made only to the participating candidate's authorized commit-
39 tee. No matching funds shall be used except to reimburse or pay for
40 qualified campaign expenditures actually and lawfully incurred or to
41 repay loans used to pay qualified campaign expenditures.

42 2. If the threshold for eligibility is met, the participating candi-
43 date's authorized committee shall receive payment for qualified campaign
44 expenditures of six dollars of matching funds for each one dollar of
45 matchable contributions for a primary election and six dollars of match-
46 ing funds for each one dollar of matchable contributions for a general
47 or special election for all matchable contributions received after Janu-
48 ary first of the year in which such primary or general election to be
49 held and reported to the board.

50 3. (a) Matching funds received by participating candidates and their
51 authorized committees in a primary election shall not exceed:

52 (i) the sum of five million five hundred thousand dollars for the
53 office of governor;

54 (ii) the sum of two million seven hundred fifty thousand dollars for
55 the offices of lieutenant governor, state comptroller and attorney
56 general;

1 (iii) the sum of eight hundred twenty-five thousand dollars for the
2 office of state senator;

3 (iv) the sum of four hundred twelve thousand five hundred dollars for
4 the office of member of the assembly;

5 (v) the sum of one hundred seventy-five thousand dollars for an
6 at-large delegate to a constitutional convention; and

7 (vi) the sum of fifty thousand dollars for a district delegate to a
8 constitutional convention.

9 (b) Matching funds received by participating candidates and their
10 authorized committees in a general or special election shall not exceed:

11 (i) the sum of eight million two hundred fifty thousand dollars for
12 the offices of governor and lieutenant governor;

13 (ii) the sum of four million one hundred twenty-five thousand dollars
14 for the offices of state comptroller and attorney general;

15 (iii) the sum of eight hundred twenty-five thousand dollars for the
16 office of state senator;

17 (iv) the sum of four hundred twelve thousand five hundred dollars for
18 the office of member of the assembly;

19 (v) the sum of one hundred seventy-five thousand dollars for an
20 at-large delegate to a constitutional convention; and

21 (vi) the sum of fifty thousand dollars for a district delegate to a
22 constitutional convention.

23 4. No matching funds shall be paid to any participating candidates in
24 a primary election any earlier than the day that such candidate is
25 certified as being on the ballot for such primary election.

26 5. No matching funds shall be paid to any participating candidates in
27 a general election any earlier than the day after the day of the primary
28 election held to nominate candidates for such election.

29 6. No matching funds shall be paid to any participating candidate who
30 has been disqualified or whose designating petitions have been declared
31 invalid by the appropriate board of elections or a court of competent
32 jurisdiction until and unless such finding is reversed by a higher
33 authority. No payment from the fund in the possession of such a candi-
34 date or such candidate's participating committee on the date of such
35 disqualification or invalidation may thereafter be expended for any
36 purpose except the payment of liabilities incurred before such date. All
37 such moneys shall be repaid to the fund.

38 7. The commissioner of taxation and finance shall make all payments of
39 matching funds to participating candidates as soon as practicable, but
40 no later than five days after submission by the participating candidate
41 of a campaign contribution report filed with the state board of
42 elections in compliance with this article. The campaign finance board
43 shall verify eligibility for and amount of matching funds within three
44 days after receipt of such contribution report. Upon determination of
45 eligibility of a participating candidate for matching funds and of
46 amount of such matching funds, the campaign finance board shall submit
47 within one day a duly approved, certified and executed voucher to the
48 department of taxation and finance requesting payment of such matching
49 funds and payment thereof shall be made to the participating candidate's
50 authorized committee not less than one day after such voucher is
51 received by the department of taxation and finance. If any of the time
52 limits in this title for payment fall on a weekend or holiday, payment
53 shall be made on the next business day.

54 8. The campaign finance board and the department of taxation and
55 finance shall promulgate rules to facilitate electronic fund transfers
56 directly from the fund into an authorized committee's bank account.

1 § 14-214. Use of matching funds; qualified campaign expenditures. 1.
2 Matching funds provided under the provisions of this title may be used
3 only by an authorized committee for expenditures to further the partic-
4 ipating candidate's nomination for election, or election, including
5 payment for debts incurred within one year before an election to further
6 the participating candidate's nomination for election or election.

7 2. Such matching funds may not be used for: (a) an expenditure that
8 violates any law or regulation; (b) an expenditure in excess of the fair
9 market value of services, materials, facilities or other item of signif-
10 icant value received in exchange; (c) an expenditure made after the
11 candidate has been finally disqualified from the ballot; (d) an expendi-
12 ture for an obligation incurred after the only remaining opponent of the
13 candidate has been finally disqualified from the ballot; (e) an expendi-
14 ture made by cash payment; (f) a contribution or loan made to another
15 candidate or political committee; (g) an expenditure to support or
16 oppose another candidate or political committee; (h) gifts, except
17 brochures, buttons, signs and other printed campaign material; (i) legal
18 fees to defend against a criminal charge; or (j) a payment to an immedi-
19 ate family member of the participating candidate.

20 § 14-216. Campaign finance board; general powers and duties. 1. There
21 shall be a board within the state board of elections known as the
22 "campaign finance board" composed of seven members, of which one member,
23 who shall be the chairperson, shall be appointed by the governor with
24 the advice and consent of the senate, one member shall be appointed by
25 the state comptroller, one member shall be appointed by the attorney
26 general, one member shall be appointed by the temporary president of the
27 senate, one member shall be appointed by the speaker of the assembly,
28 one member shall be appointed by the minority leader of the senate and
29 one member shall be appointed by the minority leader of the assembly.
30 No member of the campaign finance board shall hold elective office, nor
31 shall any member be a lobbyist as defined in subdivision (a) of section
32 one-c of the legislative law. The members shall first be appointed to
33 serve as follows: (a) two members, one appointed by the temporary presi-
34 dent of the senate and one appointed by the minority leader of the
35 assembly for a term of two years, (b) two members, one appointed by the
36 minority leader of the senate and one appointed by the speaker of the
37 assembly for a term of three years, (c) one member appointed by the
38 attorney general for a term of four years, (d) one member appointed by
39 the comptroller for a term of five years and (e) the chairperson shall
40 serve for a term of six years. Members appointed thereafter shall be
41 appointed for terms of six years.

42 2. Each initial member's term shall commence on January first, two
43 thousand twenty. In case of a vacancy in the office of a member, a
44 member shall be appointed according to the original manner of appoint-
45 ment. Each member shall be a resident of the state of New York and
46 registered to vote therein. Each member shall agree not to make and
47 shall not make contributions to any candidate or authorized committee
48 for nomination for election or for election to the offices of governor,
49 lieutenant governor, state comptroller, attorney general, member of the
50 assembly, state senator and delegate to a constitutional convention. No
51 member shall serve as an officer of a political party or committee or be
52 a candidate or participate in any capacity in a campaign by a candidate
53 for nomination for election, or for election to the offices of governor,
54 lieutenant governor, state comptroller, attorney general, member of the
55 assembly, state senator and delegate to a constitutional convention. An

1 officer or employee of the state or any state agency shall not be eligi-
2 ble to be a member of the campaign finance board.

3 3. The members of the campaign finance board shall be entitled to
4 receive payment for actual and necessary expenses incurred in the
5 performance of their duties as members of such board.

6 4. A member of the campaign finance board may be removed by his or her
7 appointing authority solely for substantial neglect of duty, gross
8 misconduct in office, inability to discharge the powers or duties of the
9 office, or violation of the provisions of this chapter, after written
10 notice and opportunity for a public hearing pursuant to rules developed
11 by the campaign finance board.

12 5. The campaign finance board may employ or shall utilize existing
13 staff of the state board of elections as may be necessary, including an
14 executive director and a counsel, and make necessary expenditures
15 subject to appropriation. The campaign finance board shall retain an
16 independent auditor to perform ongoing audits of each covered election
17 by contract entered into pursuant to section one hundred sixty-three of
18 the state finance law.

19 6. In addition to the enforcement powers, and any other powers and
20 duties specified by law, the campaign finance board shall:

21 (a) (i) render advisory opinions with respect to questions arising
22 under this title upon the written request of a candidate, an officer of
23 a political committee or member of the public, or upon its own initi-
24 ative; (ii) promulgate rules regarding reasonable times to respond to
25 such requests; and (iii) make public the questions of interpretation for
26 which advisory opinions will be considered by the campaign finance board
27 and its advisory opinions, including by publication on its website;

28 (b) develop a program for informing candidates and the public as to
29 the purpose and effect of the provisions of this title, including by
30 means of a website;

31 (c) have the authority to promulgate such rules and regulations and
32 prescribe such forms as the campaign finance board deems necessary for
33 the administration of this title; and

34 (d) in conjunction with the state board of elections develop an inter-
35 active, searchable computer database that shall contain all information
36 necessary for the proper administration of this title including informa-
37 tion on contributions to and expenditures by candidates and their
38 authorized committees and distributions of moneys from the fund and
39 shall be accessible to the public on the state board of elections'
40 website.

41 7. Consistent with the provisions of the civil service law and subdi-
42 vision seventeen of section seventy-three of the public officers law,
43 and notwithstanding the provisions of any other law to the contrary, all
44 positions on the staff of the campaign finance board shall be classified
45 in the exempt class of the civil service.

46 8. The campaign finance board's administration of the fund shall be
47 governed by the provisions of this title and section ninety-nine-hh of
48 the state finance law.

49 9. The campaign finance board and its proceedings shall be governed by
50 the state administrative procedure act and subject to articles six and
51 seven of the public officers law.

52 10. The campaign finance board may take such other actions as are
53 necessary and proper to carry out the purposes of this title.

54 § 14-218. Audits and repayments. 1. The campaign finance board is
55 hereby empowered to audit and examine, pursuant to generally accepted
56 accounting principles, all matters relating to the performance of its

1 functions and any other matter relating to the administration of this
2 title. Such audits shall be conducted as frequently as the campaign
3 finance board deems necessary to ensure compliance with this title.
4 Every candidate who receives matching funds under this title shall also
5 be audited by the campaign finance board post-election. The cost of
6 complying with a post-election audit shall be borne by the candidate's
7 authorized committee. A candidate who has received matching funds under
8 this title must maintain a reserve of at least one percent of the total
9 amount of matching funds received by such candidate in his or her
10 campaign account to comply with the post-election audit. A candidate who
11 runs in both a primary and a general election, must maintain a reserve
12 of one percent of the total amount of matching funds received by such
13 candidate for both his or her primary and general election. A candidate
14 may use matching funds, private funds or a combination of matching and
15 private funds to comply with a post-election audit. The campaign finance
16 board shall issue to each campaign audited the final post-election audit
17 report that details its findings and shall provide such audit to the
18 governor and legislative leaders and make such audit report available on
19 the state board of elections' website.

20 2. If the campaign finance board determines that any portion of a
21 payment made to a candidate's authorized committee from the fund
22 exceeded the amount that such candidate was eligible to receive pursuant
23 to this title, the campaign finance board shall notify such committee
24 and such committee shall pay to the campaign finance board an amount
25 equal to the amount of the excess payment; provided, however, that if
26 the erroneous payment was due to an error made by the campaign finance
27 board, then the erroneous payment will be offset against any future
28 payment, if any. The participating candidate and the candidate's author-
29 ized committee shall be jointly and severally liable for any repayments
30 due to the campaign finance board for deposit by such board into the New
31 York state campaign finance fund.

32 3. If the campaign finance board determines that any portion of a
33 payment made to a candidate's authorized committee from the New York
34 state campaign finance fund was used for purposes other than qualified
35 campaign expenditures, the campaign finance board shall notify such
36 committee of the amount so disqualified and such committee shall pay to
37 the campaign finance board an amount equal to such disqualified amount.
38 Such monies shall be deposited into the New York state campaign finance
39 fund established pursuant to section ninety-nine-hh of the state finance
40 law. The candidate and the candidate's authorized committee shall be
41 jointly and severally liable for any repayments due to the campaign
42 finance board.

43 4. A participating candidate shall pay to the campaign finance board
44 for deposit into the campaign finance fund unspent matching funds for an
45 election not later than thirty days after all liabilities for the
46 election campaign have been paid and in any event, not later than twenty
47 days after the date on which the campaign finance board issues its final
48 audit report for the participating candidate's committee; provided,
49 however, that all unspent matching funds for a participating candidate
50 shall be immediately due and payable to the campaign finance board for
51 deposit into the New York state campaign finance fund upon its determi-
52 nation that the participant willfully delayed the post-election audit
53 process. A participating candidate may make post-election expenditures
54 only for routine activities involving nominal costs associated with
55 winding up a campaign and responding to the post-election audit pursuant
56 to section 14-228 of this title. For accounting purposes, all private

1 and personal contributions shall be considered spent before revenue from
2 the fund is spent or committed.

3 § 14-220. Civil enforcement. 1. Any person or authorized committee who
4 knowingly and willfully fails to make a filing as required by the
5 provisions of this title shall be subject to a fine to be imposed by the
6 campaign finance board in an amount not to exceed five thousand dollars.

7 2. Any person or authorized committee who knowingly and willfully
8 violates any other provision of this title or any rule promulgated here-
9 under shall be subject to a fine to be imposed by the campaign finance
10 board in an amount not to exceed ten thousand dollars.

11 3. Fines authorized under this section will be imposed by the campaign
12 finance board after a hearing at which the subject person or authorized
13 committee shall be given an opportunity to be heard. Such hearing shall
14 be held in such manner and upon such notice as may be prescribed by the
15 rules of the campaign finance board. For purposes of conducting such
16 hearings, the campaign finance board shall be deemed to be an agency
17 within the meaning of article three of the state administrative proce-
18 dure act and shall adopt rules governing the conduct of adjudicatory
19 proceedings and appeals taken pursuant to a proceeding commenced under
20 article seventy-eight of the civil practice law and rules relating to
21 the assessment of the fines herein authorized.

22 4. The campaign finance board shall publish on the state board of
23 elections' website the final order adjudicating any matter brought
24 pursuant to this section.

25 5. Any fines imposed by the campaign finance board pursuant to this
26 section shall be deposited into the New York state campaign finance
27 fund.

28 § 14-222. Criminal penalties. 1. Any person who knowingly and willful-
29 ly fails to make a filing required by the provisions of this title with-
30 in ten days after the date provided for such, or anyone that knowingly
31 and willfully violates any other provision of this title shall be guilty
32 of a misdemeanor and, in addition to such other penalties as may be
33 provided by law, shall be subject to a fine not to exceed the amount of
34 ten thousand dollars.

35 2. Any person who knowingly and willfully contributes, accepts or aids
36 or participates in the contribution or acceptance of a contribution in
37 an amount exceeding an applicable maximum specified in this article
38 shall be guilty of a misdemeanor and shall be subject to a fine not to
39 exceed the amount of ten thousand dollars.

40 3. Any person who knowingly makes a false statement or knowingly omits
41 a material fact to the campaign finance board or an auditor designated
42 by the campaign finance board during any audit conducted pursuant to
43 section 14-218 of this title shall be guilty of a class E felony.

44 4. In addition any other sentence lawfully imposed upon a finding of
45 guilt in a criminal prosecution commenced pursuant to the provisions of
46 this section, the court may order a defendant to repay to the campaign
47 finance board any matching funds obtained as a result of any criminal
48 conduct.

49 5. All such prosecutions for criminal acts under this article shall be
50 prosecuted by the attorney general.

51 6. Any and all fines imposed pursuant to this section shall be made
52 payable to the campaign finance board for deposit into the New York
53 state campaign finance fund.

54 § 14-224. Reports. The campaign finance board shall submit a report to
55 the governor and legislative leaders on or before February first, two

1 thousand twenty-one, and every two years thereafter, which shall
2 include:

3 1. a list of the participating and nonparticipating candidates in
4 covered elections and the votes received by each candidate in those
5 elections;

6 2. the amount of contributions and loans received, and expenditures
7 made, on behalf of participating and nonparticipating candidates;

8 3. the amount of matching funds each participating candidate received,
9 spent and repaid pursuant to this article;

10 4. analysis of the effect of this title on the election campaign for
11 the offices of governor, lieutenant governor, state comptroller, attor-
12 ney general, member of the assembly, state senator and delegate to a
13 constitutional convention, including its effect on the sources and
14 amounts of private financing, the level of campaign expenditures, voter
15 participation, the number of candidates, the candidates' abilities to
16 campaign effectively for public office, and the diversity of candidates
17 seeking and elected to office;

18 5. recommendations for changes or amendments to this title, including
19 changes in contribution limits, thresholds for eligibility and limits on
20 total matching funds; and

21 6. any other information that the campaign finance board deems rele-
22 vant.

23 § 14-226. Debates. The campaign finance board shall promulgate regu-
24 lations to facilitate debates among participating candidates. Partic-
25 ipating candidates are required to participate in at least one debate
26 before the primary election and in at least one debate before the gener-
27 al election for which the candidate receives public funds, unless the
28 participating candidate is running unopposed. A nonparticipating candi-
29 date may be a party to such debates.

30 § 14-228. Distributions from campaign finance fund. 1. This section
31 governs the campaign finance board's distribution of funds from the
32 campaign finance fund established by section ninety-nine-hh of the state
33 finance law, except as otherwise provided in this title.

34 2. No moneys shall be paid to any participating candidate who has been
35 disqualified by the campaign finance board or whose designating
36 petitions have been declared invalid by the state board of elections or
37 a court of competent jurisdiction until and unless such finding is
38 reversed by an appellate court.

39 3. No payment from the fund in the possession of such a candidate or
40 such a candidate's authorized committee on the date of such disquali-
41 fication or invalidation may thereafter be expended for any purpose
42 except the payment of liabilities incurred before that date. All excess
43 matching moneys paid to a disqualified candidate shall be returned to
44 the fund not less than thirty days after the general election for those
45 participating candidates who received matching moneys for the general
46 election, and otherwise, not less than thirty days after the primary
47 election for those participating candidates who received matching moneys
48 solely for the primary election.

49 4. (a) Participating candidates shall pay to the campaign finance
50 board unspent matching campaign funds from an election not later than
51 thirty days after all liabilities for the election have been paid and,
52 in any event, not less than twenty days after the date upon which the
53 campaign finance board issues its final audit report for the participat-
54 ing candidate's committee; provided, however, that all unspent matching
55 campaign funds for a participating candidate shall be immediately due
56 and payable to the campaign finance board upon its determination that

1 the participating candidate has, without just cause, delayed the post-e-
2 lection audit process. Unspent matching campaign funds determinations
3 made by the campaign finance board shall be based on the participating
4 candidate committee's receipts and expenditures. The campaign finance
5 board may also consider any other relevant information revealed in the
6 course of its audits or investigations or the investigations by any
7 other agency.

8 (b) (i) A participating candidate may not use receipts for any purpose
9 other than disbursements in the preceding election until all unspent
10 matching campaign funds have been repaid. A participating candidate
11 shall have the burden of demonstrating that a post-election expenditure
12 is for the preceding election.

13 (ii) Before repaying unspent matching campaign funds, a participating
14 candidate may make post-election expenditures only for routine activ-
15 ities involving nominal costs associated with winding up a campaign and
16 responding to the post-election audit. Such expenditures may include:
17 payment of utility bills and rent; reasonable staff salaries and
18 consultant fees for responding to a post-election audit; reasonable
19 moving expenses related to closing a campaign office; a holiday card
20 mailing to contributors, campaign volunteers, and staff members; thank
21 you notes for contributors, campaign volunteers, and staff members;
22 payment of taxes and other reasonable expenses for compliance with
23 applicable tax laws; and interest expenses. Routine post-election
24 expenditures that may be paid for with unspent matching campaign funds
25 do not include such items as post-election mailings other than as
26 specifically provided for in this subparagraph; making contributions; or
27 holding any post-election day event, including, but not limited to, any
28 meal or any party. Unspent campaign funds may not be used for transition
29 or inauguration activities.

30 5. All monies received by the campaign finance board pursuant to this
31 section shall be deposited into the New York state campaign finance fund
32 pursuant to section ninety-nine-hh of the state finance law.

33 § 15. The election law is amended by adding a new section 16-103 to
34 read as follows:

35 § 16-103. Proceedings as to matching funds. 1. The determination of
36 eligibility pursuant to section 14-208 of this chapter and any question
37 or issue relating to payments for qualified campaign expenditures pursu-
38 ant to section 14-212 of this chapter may be contested in a proceeding
39 instituted in the supreme court, Albany county, by any aggrieved candi-
40 date.

41 2. A proceeding with respect to such a determination of eligibility or
42 payment for qualified campaign expenditures pursuant to section 14-212
43 of this chapter shall be instituted within seven days after such deter-
44 mination was made. The campaign finance board shall be made a party to
45 any such proceeding.

46 3. Upon the campaign finance board's failure to receive the amount due
47 from a participating candidate or such candidate's committee after the
48 issuance of written notice of such amount due, as required by subdivi-
49 sion four of section 14-218 of this chapter, such board is authorized to
50 institute a special proceeding or civil action in supreme court, Albany
51 county, to obtain a judgment for any amounts determined to be payable to
52 the campaign finance board as a result of an examination and audit made
53 pursuant to title two of article fourteen of this chapter.

54 4. The campaign finance board is authorized to institute a special
55 proceeding or civil action in supreme court, Albany county, to obtain a

1 judgment for civil penalties determined to be payable to the fair
2 elections board pursuant to section 14-218 of this chapter.

3 § 16. The general business law is amended by adding a new section
4 359-gg to read as follows:

5 § 359-gg. Additional surcharge. In addition to any penalty authorized
6 by section three hundred fifty-nine-g of this article or any damages or
7 other compensation recoverable including, but not limited to, any
8 settlement authorized by section sixty-three or sixty-three-c of the
9 executive law, there shall be assessed thereon an additional surcharge
10 in the amount of ten percent of the total amount of such penalty,
11 damages or settlement. Such surcharge shall be deposited in the New York
12 state campaign finance fund established by section ninety-nine-hh of the
13 state finance law.

14 § 17. The state finance law is amended by adding a new section 99-hh
15 to read as follows:

16 § 99-hh. New York state campaign finance fund. 1. There is hereby
17 established in the joint custody of the commissioner of taxation and
18 finance and the state comptroller a special fund to be known as the "New
19 York state campaign finance fund".

20 2. Such fund shall consist of all revenues received from the surcharge
21 imposed pursuant to section three hundred fifty-nine-gg of the general
22 business law, revenues received from campaign finance fund check-off
23 pursuant to section six hundred thirty-g of the tax law, revenues from
24 the abandoned property fund pursuant to section ninety-five of this
25 article, and all other moneys credited or transferred thereto from any
26 other fund or source pursuant to law. Nothing contained in this section
27 shall prevent the state from receiving grants, gifts, bequests or volun-
28 tary contributions for the purposes of the fund as defined in this
29 section and depositing them into the fund according to law. Monies in
30 the fund shall be kept separate from and not commingled with other funds
31 held in the joint custody of the commissioner of taxation and finance
32 and the state comptroller.

33 3. Moneys of the fund, following appropriation by the legislature, may
34 be expended for the purposes of making payments to candidates pursuant
35 to title two of article fourteen of the election law. Moneys shall be
36 paid out of the fund by the state comptroller on vouchers certified or
37 approved by the campaign finance board established pursuant to title two
38 of article fourteen of the election law, or the duly designated repre-
39 sentative of such board, in the manner prescribed by law, not more than
40 one working day after a voucher duly certified, approved and executed by
41 such board or its representative in the form prescribed by the state
42 comptroller is received by the state comptroller.

43 § 18. The tax law is amended by adding a new section 630-g to read as
44 follows:

45 § 630-g. Contribution to New York state campaign finance fund. Effec-
46 tive for any taxable year commencing on or after January first, two
47 thousand nineteen, an individual in any taxable year may elect to
48 contribute to the New York state campaign finance fund. Such contrib-
49 ution shall be in the amount of five dollars and shall not reduce the
50 amount of state tax owed by such individual. The commissioner shall
51 include space on the personal income tax return to enable a taxpayer to
52 make such contribution. Notwithstanding any other provision of law, all
53 revenues collected pursuant to this section shall be credited to the New
54 York state campaign finance fund and used only for those purposes
55 enumerated in section ninety-nine-hh of the state finance law.

1 § 19. Section 95 of the state finance law is amended by adding a new
2 subdivision 5 to read as follows:

3 5. Notwithstanding any provision of this section authorizing the
4 transfer of any moneys in the abandoned property fund to the general
5 fund, in January of each year in which a state general election is to be
6 held pursuant to law, or at least six weeks prior to any state special
7 election, the comptroller, upon warrant or voucher by the chair of the
8 campaign finance board or his or her duly appointed representative,
9 shall transfer moneys of the abandoned property fund into the campaign
10 finance fund pursuant to section ninety-nine-hh of this article. On
11 March thirty-first of the year following such general election year,
12 such chair shall transfer to the general fund any surplus moneys of the
13 campaign finance fund as of such date.

14 § 20. Section 6-120 of the election law is REPEALED.

15 § 21. Severability. If any clause, sentence, subdivision, paragraph,
16 section or part of this act be adjudged by any court of competent juris-
17 diction to be invalid, such judgment shall not affect, impair or invali-
18 date the remainder thereof, but shall be confined in its operation to
19 the clause, sentence, subdivision, paragraph, section or part thereof
20 directly involved in the controversy in which such judgment shall have
21 been rendered.

22 § 22. This act shall take effect December 31, 2019; provided, however,
23 that all candidates will be eligible to participate in the optional
24 campaign finance system beginning with the 2020 general election.