

STATE OF NEW YORK

5642

2019-2020 Regular Sessions

IN ASSEMBLY

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Introduced by M. of A. ROZIC, ABINANTI, COLTON, GALEF, JAFFEE, LIFTON, LUPARDO, PEOPLES-STOKES, L. ROSENTHAL -- Multi-Sponsored by -- M. of A. GLICK, SIMON, THIELE -- read once and referred to the Committee on Election Law

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.

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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.

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;
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; and
37 (4) the business rationale for each such contribution or independent
38 expenditure.

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

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

43 § 3. The business corporation law is amended by adding a new section
44 1321 to read as follows:

45 § 1321. Political contributions.

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

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

1 regarding pending legislation, public policy or a government rule or
2 regulation;

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

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

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

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

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

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

43 (4) the business rationale for each such contribution or independent
44 expenditure.

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

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

49 § 4. The business corporation law is amended by adding a new section
50 1517 to read as follows:

51 § 1517. Political contributions.

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

53 (1) The term "contribution" means any gift, subscription, outstanding
54 loan, advance, deposit of money or any thing of value provided to a
55 political committee, party committee, constituted committee or duly
56 constituted subcommittee of a county committee, as those terms are

1 defined in article fourteen of the election law, in support or oppo-
2 sition to a candidate for public or party office, referendum, political
3 party, electioneering communication or any communication made to the
4 general public intended to encourage the public to contact a government
5 official, candidate for public or party office or political party
6 regarding pending legislation, public policy or a government rule or
7 regulation;

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

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

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

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

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

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

48 (4) the business rationale for each such contribution or independent
49 expenditure.

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

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

55 § 5. The business corporation law is amended by adding a new section
56 1534 to read as follows:

1 § 1534. Political contributions.

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

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

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

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

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

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

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

51 (3) 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; and

55 (4) the business rationale for each such contribution or independent
56 expenditure.

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

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

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

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

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

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

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

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

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

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

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

5 (d) the business rationale for each such contribution or independent
6 expenditure.

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

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

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

13 § 522. Political contributions.

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

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

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

46 (b) Notwithstanding any other limits on not-for-profit corporation
47 contributions to, or expenditures on behalf of, candidates for public or
48 party office, political committees, party committees or ballot referen-
49 dum, before a not-for-profit corporation or any of its subsidiaries may
50 make a contribution or independent expenditure, the not-for-profit
51 corporation shall, at least annually, obtain the prior authorization by
52 vote of a majority of the members voting on such resolution to make
53 contributions or independent expenditures up to a stated aggregate annu-
54 al amount.

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

1 annually disclose to its members and file with the secretary of state an
2 accounting of the contributions and independent expenditures used for
3 such purposes, including:

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

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

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

10 (4) the business rationale for each such contribution or independent
11 expenditure.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Notwithstanding any other limits on transportation corporation contributions to, or expenditures on behalf of, candidates for public or party office, political committees, party committees or ballot referendum, before a transportation corporation or any of its subsidiaries may make a contribution or independent expenditure, the transportation 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.

(c) Any transportation corporation, either by itself or its subsidiaries, making contributions or independent expenditures 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;

(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; and

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

(d) The secretary of state shall post each transportation 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.

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

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

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

(b) 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 editori-

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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