

# STATE OF NEW YORK

7081

2021-2022 Regular Sessions

## IN ASSEMBLY

April 21, 2021

Introduced by M. of A. PAULIN -- read once and referred to the Committee on Election Law

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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