STATE OF NEW YORK

1721

2023-2024 Regular Sessions

IN SENATE

January 13, 2023

Introduced by Sens. SKOUFIS, GOUNARDES, KRUEGER, SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Elections

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

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

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

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

(b) The state governmental entity directly responsible for issuing such permit or license shall include a notice of the prohibition established by this section in application materials and the state governmental entity responsible for evaluating such applications shall provide to any person, organization, group of persons, or business entity that

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

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submits an application a notice of the prohibition established by this section and the restricted permit and license applicant contribution period commencement date.

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

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

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

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

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

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

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

8. (a) Any person, organization, group of persons, or business entity as that term is used in section 14-131 of this article, who, under

circumstances evincing an intent to violate such laws, makes a contribution in contravention of section 14-131 of this article shall be subject to a civil penalty not to exceed the greater of ten thousand dollars or an amount equal to two hundred percent of the contribution, to be recoverable in a special proceeding or civil action to be brought by the state board of elections chief enforcement counsel.

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

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