

# 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 Assem-  
bly, do enact as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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