

STATE OF NEW YORK

7760

2023-2024 Regular Sessions

IN ASSEMBLY

June 6, 2023

Introduced by M. of A. WALKER -- read once and referred to the Committee on Codes

AN ACT to amend the election law, in relation to public campaign financing; and to repeal section 11 of part ZZZ of chapter 58 of the laws of 2020 amending the election law relating to public financing for state office; amending the state finance law relating to establishing the New York state campaign finance fund; and amending the tax law relating to establishing the NYS campaign finance fund check-off, relating to the severability of the provisions thereof

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

1 Section 1. Subdivision 11 of section 14-200-a of the election law, as
2 added by section 4 of part ZZZ of chapter 58 of the laws of 2020, is
3 amended to read as follows:
4 11. (a) "matchable contribution" means a contribution not less than
5 five dollars and not more than two hundred fifty dollars, for a candi-
6 date for public office to be voted on by the voters of the entire state
7 or for nomination to any such office, a contribution for any covered
8 elections held in the same election cycle, made by a natural person who
9 is a resident in the state of New York to a participating candidate, and
10 for a candidate for election to the state assembly or state senate or
11 for nomination to any such office, a contribution for any covered
12 elections held in the same election cycle, made by a natural person who
13 at the time such contribution is made is also a resident of such state
14 assembly or state senate district from which such candidate is seeking
15 nomination or election, that has been reported in full to the PCFB in
16 accordance with sections 14-102 and 14-104 of this article by the candi-
17 date's authorized committee and has been contributed on or before the
18 day of the applicable primary, general, runoff, or special election. Any
19 contribution, contributions, or a portion of a contribution determined

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

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1 to be invalid for matching funds by the PCFB may not be treated as a
2 matchable contribution for any purpose.

3 (b) The following contributions are not matchable:

4 (i) loans;

5 (ii) in-kind contributions of property, goods, or services;

6 (iii) contributions in the form of the purchase price paid for an item
7 with significant intrinsic and enduring value;

8 (iv) transfers from a party or constituted committee;

9 (v) anonymous contributions;

10 (vi) contributions whose source is not itemized as required by these
11 recommendations;

12 (vii) contributions gathered during a previous election cycle;

13 (viii) illegal contributions;

14 (ix) contributions from minors;

15 (x) contributions from vendors for campaigns hired by the candidate
16 for such election cycle; and

17 (xi) contributions from lobbyists registered pursuant to subdivision
18 (a) of section one-c of the legislative law; and

19 (xii) [~~any~~] the portion of a contribution [~~when the aggregate contribu-~~
20 ~~tions are~~] which is in excess of two hundred fifty dollars in the
21 aggregate from any one contributor to such participating candidate for
22 nomination or election.

23 § 2. Subdivision 19 of section 14-200-a of the election law, as added
24 by section 4 of part ZZZ of chapter 58 of the laws of 2020, is amended
25 to read as follows:

26 19. "surplus" means [~~those funds where the total sum of contributions~~
27 ~~received and~~] the difference between public [~~matchable~~] matching funds
28 received by a participating candidate and his or her authorized commit-
29 tee [~~exceeds the total campaign expenditures of such candidate and~~
30 ~~authorized committee~~] for all covered elections held in the same calen-
31 dar year or for a special election to fill a vacancy and the total such
32 candidate and his or her authorized committee spent on qualified
33 campaign expenditures; provided that in cases where qualified campaign
34 expenditures of such candidate exceed public matching funds received by
35 such candidate and his or her authorized committee for all covered
36 elections held in the same calendar year or for a special election to
37 fill a vacancy, the surplus is zero.

38 § 3. Section 14-203 of the election law, as added by section 4 of part
39 ZZZ of chapter 58 of the laws of 2020, is amended to read as follows:

40 § 14-203. Eligibility. 1. Terms and conditions. To be eligible for
41 [~~voluntary public financing~~] public matching funds under this title, a
42 candidate must:

43 (a) be a candidate in a covered election;

44 (b) meet all the requirements of law to have his or her name on the
45 ballot, subject to the requirements of subdivision three of section
46 1-104 and subdivision one of section 6-142 of this chapter;

47 (c) in the case of a covered general or special election, be opposed
48 by another candidate on the ballot who is not a write-in candidate;

49 (d) submit a certification in the form of an affidavit, in such form
50 as may be prescribed by the PCFB, that sets forth his or her acceptance
51 of and agreement to comply with the terms and conditions for the
52 provision of such funds in each covered election and such certification
53 shall be submitted at least four months before a primary election and on
54 the last day in which a certification of nomination is filed in a
55 special election pursuant to a schedule promulgated by the PCFB;

56 (e) be certified as a participating candidate by the PCFB;

1 (f) not make, and not have made, expenditures from or use his or her
2 personal funds or property or the personal funds or property jointly
3 held with his or her spouse, or unemancipated children in connection
4 with his or her nomination for election or election to a covered office,
5 but may make a contribution to his or her authorized committee in an
6 amount that does not exceed three times the applicable contribution
7 limit from an individual contributor to candidates for the office that
8 he or she is seeking;

9 (g) meet the threshold for eligibility set forth in subdivision two of
10 this section;

11 (g-1) not owe any payments, repayments, or civil penalties pursuant to
12 this title or any regulations promulgated thereunder, or any similar
13 payments, repayments, or civil penalties under any local public campaign
14 finance program within the previous ten years;

15 (h) continue to abide by all requirements during the post-election
16 period; and

17 (i) not have accepted contributions in amounts exceeding the contrib-
18 ution limits set forth for candidates in paragraphs a and b of subdivi-
19 sion one of section 14-114 of this article during the election cycle for
20 which the candidate seeks certification;

21 (i) Provided however, that, if a candidate accepted contributions
22 exceeding such limits, such acceptance shall not prevent the candidate
23 from being certified by the PCFB if the candidate in a reasonable time,
24 as determined by rule, pays to the fund or returns to the contributor
25 the portion of any contribution that exceeded the applicable contrib-
26 ution limit.

27 (ii) If the candidate is unable to return such funds in a reasonable
28 time, as determined by rule, because they have already been spent,
29 acceptance of contributions exceeding the limits shall not prevent the
30 candidate from being certified by the PCFB if the candidate submits an
31 affidavit agreeing to pay to the fund all portions of any contributions
32 that exceeded the limit no later than thirty days before the general
33 election. If a candidate provides the PCFB with such an affidavit, any
34 disbursement of public funds to the candidate shall be reduced by no
35 more than twenty-five percent until the total amount owed by the candi-
36 date is repaid.

37 (iii) Nothing in this section shall be interpreted to require a candi-
38 date who retains funds raised during any previous election cycle to
39 forfeit such funds. Funds raised during a previous election cycle may be
40 retained and used by the candidate for the candidate's campaign in the
41 next election cycle but funds shall not qualify for satisfying the
42 threshold for participating in the public campaign finance program
43 established in this title nor shall they be eligible to be matched. The
44 PCFB shall adopt regulations to ensure that contributions that would
45 satisfy the applicable contribution limits authorized in this title
46 shall be transferred into the appropriate campaign account.

47 (iv) Contributions received and expenditures made by the candidate or
48 an authorized committee of the candidate prior to the effective date of
49 this title shall not constitute a violation of this title. Unexpended
50 contributions shall be treated the same as campaign surpluses under
51 subparagraph (iii) of this paragraph. Nothing in this recommendation
52 shall be construed to limit, in any way, any candidate or public offi-
53 cial from expending any portion of pre-existing campaign funds for any
54 lawful purpose other than those related to his or her campaign.

55 (v) A candidate who has raised matchable contributions but, in the
56 case of a covered primary, general or special election, is not opposed

1 by another candidate on the ballot who is not a write-in candidate, or
2 who chooses not to accept matchable funds, may retain such contributions
3 and apply them in accord with this title to the candidate's next
4 campaign, should there be one, in the next election cycle.

5 (vi) The total amount of public matching funds available to a partic-
6 ipating candidate and his or her authorized committee for a covered
7 general election pursuant to subdivision two of section 14-204 of this
8 title shall be reduced by any unexpended public matching funds received
9 by such candidate and his or her authorized committee for a covered
10 primary election.

11 2. Threshold for eligibility. (a) The threshold for eligibility for
12 public funding for participating candidates shall be in the case of:

13 (i) governor, not less than five hundred thousand dollars in contrib-
14 utions including at least five thousand matchable contributions shall be
15 counted toward this qualifying threshold;

16 (ii) lieutenant governor, attorney general and comptroller, not less
17 than one hundred thousand dollars in contributions including at least
18 one thousand matchable contributions shall be counted toward this quali-
19 fying threshold;

20 (iii) state senator, except as otherwise provided in paragraph (c) of
21 this subdivision, not less than [~~twelve~~] twenty-four thousand dollars in
22 contributions including at least [~~one~~] three hundred fifty matchable
23 contributions shall be counted toward this qualifying threshold; and

24 (iv) member of the assembly, except as otherwise provided in paragraph
25 (c) of this subdivision, not less than [~~six~~] ten thousand dollars in
26 contributions including at least [~~seventy-five~~] one hundred forty-five
27 matchable contributions shall be counted toward this qualifying thresh-
28 old.

29 (b) [~~However, solely for~~] For purposes of achieving the monetary
30 thresholds in paragraph (a) of this subdivision, the first two hundred
31 fifty dollars of any contribution of more than two hundred fifty dollars
32 to a candidate or a candidate's committee which would otherwise be
33 [~~matchable except that it comes from a contributor who has contributed~~
34 ~~more than two hundred fifty dollars to such candidate or candidate's~~
35 ~~committee, is~~] deemed to be a matchable contribution and shall count
36 toward satisfying such monetary threshold [~~but shall not otherwise be~~
37 ~~considered a matchable contribution~~]. The portion of any contribution
38 which is in excess of two hundred fifty dollars in the aggregate to a
39 candidate or candidate's committee shall not be matchable, provided,
40 however, the first two hundred fifty dollars of such contribution shall
41 be considered a matchable contribution provided that such contribution
42 is otherwise determined to be valid for public matching funds by the
43 PCFB.

44 (c) With respect to the minimum dollar threshold for participating
45 candidates for state senate and state assembly, in such districts where
46 average median income ("AMI") is below the AMI as determined by the
47 United States Census Bureau three years before such election for which
48 public funds are sought, such minimum dollar threshold for eligibility
49 shall be reduced [~~by one-third~~] to sixteen thousand dollars for the
50 senate and six thousand dollars for the assembly. The PCFB shall make
51 public which districts are subject to such reduction no later than two
52 years before the first primary election for which funding is sought.

53 (d) Any participating candidate meeting the threshold for eligibility
54 in a primary election for one of the foregoing offices shall be applied
55 to satisfy the threshold for eligibility for such office in any other
56 subsequent election held in the same calendar year. Any participating

1 candidate who is nominated in a primary election and has participated in
2 the public financing program set forth in this title, ~~[must]~~ shall not
3 be required to participate in the public financing program for the
4 general election for such office should they choose to run in the gener-
5 al election.

6 § 4. Subdivisions 1, 2 and 5 of section 14-204 of the election law, as
7 added by section 4 of part ZZZ of chapter 58 of the laws of 2020, are
8 amended to read as follows:

9 1. In any primary election, receipt of public funds by participating
10 candidates and by their participating committees shall not exceed:

- 11 (a) for Governor \$3,500,000
- 12 (b) for Lieutenant Governor, Attorney General or Comptroller \$3,500,000
- 13 (c) for State Senator \$375,000
- 14 (d) for Member of the Assembly [~~\$175,000~~]
15 \$145,000

16 2. In any general or special election, receipt of public funds by a
17 participating candidate's authorized committees shall not exceed:

- 18 (a) for Governor and Lieutenant Governor (combined) \$3,500,000
- 19 (b) for Attorney General \$3,500,000
- 20 (c) for Comptroller \$3,500,000
- 21 (d) for State Senator \$375,000
- 22 (e) for Member of the Assembly [~~\$175,000~~]
23 \$145,000

24 5. A candidate only on the ballot in one or more primary elections in
25 which the number of persons eligible to vote for party nominees in each
26 such election totals fewer than one thousand shall not receive public
27 funds in excess of five thousand dollars for qualified campaign expendi-
28 tures in such election or elections; provided, however, such candidate
29 may receive up to five thousand dollars per each additional one thousand
30 voters over the first one thousand voters but shall not receive public
31 funds in excess of fifteen thousand dollars total for qualified campaign
32 expenditures in such election or elections. For the purposes of this
33 section, the number of persons eligible to vote for party nominees in a
34 primary election shall be as determined by the state board of elections
35 for the calendar year of the primary election. A candidate for office on
36 the ballot in more than one primary for such office, shall be deemed,
37 for purposes of this recommendation, to be a single candidate.

38 § 5. Subdivisions 3 and 4 of section 14-205 of the election law, as
39 added by section 4 of part ZZZ of chapter 58 of the laws of 2020, are
40 amended to read as follows:

41 3. Timing of payment. (a) The PCFB shall make any payment of public
42 matching funds to participating candidates as soon as is practicable.
43 But in all cases, it shall verify eligibility for public matching funds
44 within four days, excluding weekends and holidays, of receiving a
45 campaign contribution report filed in compliance with section 14-104 of
46 this article. Within two days of determining that a candidate for a
47 covered office is eligible for public matching funds, it shall authorize
48 payment of the applicable matching funds owed to the candidate. [~~The~~
49 ~~PCFB shall schedule at least three payment dates in the thirty days~~
50 ~~prior to a covered primary, general, or special election. If any of such~~
51 ~~payments would require payment on a weekend or federal holiday, payment~~
52 ~~shall be made on the next business day.~~]

53 (b) The PCFB shall schedule payment dates on (i) December fifteenth of
54 the year preceding the year of the covered election, (ii) January
55 fifteenth, February fifteenth, March fifteenth, April fifteenth, and a
56 minimum of three payment dates within the forty-five days prior to a

1 covered primary election, (iii) July fifteenth and a minimum of four
2 payment dates within the ninety days prior to a covered general
3 election, and (iv) a minimum of three payment dates within the thirty
4 days prior to any other covered election. If any of such payments would
5 require payment on a weekend or federal holiday, payment shall be made
6 on the next business day. A certification pursuant to paragraph (d) of
7 subdivision one of section 14-203 of this title shall be required to
8 have been filed with the PCFB no later than fifteen business days prior
9 to the December fifteenth, January fifteenth, February fifteenth, March
10 fifteenth, April fifteenth, or July fifteenth payment dates scheduled
11 pursuant to this subdivision for a participating candidate to receive
12 public funds on such payment date. For purposes of such payment dates,
13 the PCFB shall provide each candidate with a written determination spec-
14 ifying the basis for any non-payment.

15 4. Notwithstanding any provision of this section to the contrary, the
16 amount of public funds payable to a participating candidate on the
17 ballot in any covered election shall not exceed one-quarter of the maxi-
18 mum public funds payment otherwise applicable and no participating
19 candidate shall be eligible to receive a disbursement of public funds
20 prior to two weeks after the last day to file designating petitions for
21 a primary election unless the participating candidate is opposed by a
22 competitive candidate. [~~The PCFB shall, by regulation, set forth objec-~~
23 ~~tive standards to determine whether a candidate is competitive and the~~
24 ~~procedures for qualifying for the payment of public funds.] A partic-
25 ipating candidate shall be considered opposed by a competitive candidate
26 when at least one of the following conditions are met:~~

27 (a) For a covered general election only if the margin of victory was
28 twenty points or less in a contest involving an opposing major party
29 candidate in an election for public office in an area encompassing all
30 or part of the area that is the subject of the current election in the
31 last eight years preceding the election of the covered office sought.

32 (b) The opposing candidate has received the endorsement of a current
33 or former statewide elected official, or a current or former federal
34 elected official representing all or a portion of the area represented
35 by the covered office sought, or a current or former United States
36 senator, or in the case of a district that encompasses a portion of New
37 York city, a current or former citywide elected official.

38 (c) The opposing candidate has received three or more endorsements
39 from other current or former state, county, city, town, or village
40 elected officials who represent all or a part of the area covered by the
41 election.

42 (d) In the past ten years, the opposing candidate's spouse, domestic
43 partner, sibling, parent, or child holds or has held elective office in
44 an area encompassing all or part of the district represented by the
45 covered office sought.

46 (e) The opposing candidate has been deemed eligible to receive public
47 funds payment for the covered election.

48 (f) If the general election in that district was within a twenty-point
49 margin within the last six years.

50 (g) If an individual is self-funding and has given themselves or
51 loaned themselves twenty-four thousand dollars for senate elections or
52 ten thousand dollars for assembly elections.

53 (h) The opposing candidate previously held elected office.

54 § 6. Section 14-206 of the election law is amended by adding a new
55 subdivision 3 to read as follows:

1 3. All political communications, including but not limited to broad-
2 cast, cable or satellite schedules and scripts, advertisements,
3 pamphlets, circulars, flyers, brochures, letterheads and other printed
4 matter purchased or produced, and statements or information published or
5 conveyed to five hundred or more members of a general public audience by
6 computer or other electronic device, including but not limited to elec-
7 tronic mail or text message, and paid internet or digital advertise-
8 ments, purchased in connection with a covered election shall include a
9 disclosure which says "New York State Public Campaign Finance Program
10 participant".

11 § 7. Section 14-207 of the election law is amended by adding a new
12 subdivision 3-a to read as follows:

13 3-a. The PCFB shall develop and administer in person and online train-
14 ing for individuals to become certified as compliance officers under
15 this title. Such training shall include information concerning compli-
16 ance with the rules of the public campaign finance program, disclosure
17 and record keeping requirements, obligations of the program, and other
18 relevant information as determined by the PCFB. The PCFB shall promul-
19 gate regulations for the certification of compliance officers pursuant
20 to this subdivision and shall publish a list of certified compliance
21 officers on its website which shall be updated every thirty days.

22 § 8. Paragraph (c) of subdivision 1 of section 14-208 of the election
23 law, as added by section 4 of part ZZZ of chapter 58 of the laws of
24 2020, is amended to read as follows:

25 (c) Except as provided in paragraph (b) of this subdivision, the PCFB
26 shall select not more than one-third of all participating candidates in
27 covered elections for audit through a lottery which shall be completed
28 within one year of the election in question. A separate lottery shall be
29 conducted for each office. The PCFB shall select senate and assembly
30 districts to be audited, auditing every candidate in each selected
31 district, while ensuring that the number of audited candidates within
32 those districts does not exceed fifty percent of all participating
33 candidates for the relevant office. The lottery for senate and assembly
34 elections shall be weighted to increase the likelihood that a district
35 for the relevant office is audited based on how frequently it has not
36 been selected for auditing during the past three election cycles. The
37 PCFB shall promulgate rules concerning the method of weighting the
38 senate and assembly lotteries, including provisions for the first three
39 election cycles for each office. The names of candidates selected for
40 an audit shall not be disclosed unless there is a declared finding of
41 wrongdoing by the PCFB.

42 § 9. Paragraph (c) of subdivision 2 of section 14-208 of the election
43 law, as added by section 4 of part ZZZ of chapter 58 of the laws of
44 2020, is amended and a new paragraph (d) is added to read as follows:

45 (c) If [~~the total sum of contributions received and public matching~~
46 ~~payments from the fund received by a participating candidate and his or~~
47 ~~her authorized committee exceed the total campaign expenditures of such~~
48 ~~candidate and authorized committee for all covered elections held in the~~
49 ~~same calendar year or for a special election to fill a vacancy] unspent
50 public matching funds remain in a participating candidate's authorized
51 committee bank account at the end of an election cycle that exceed the
52 participating candidate's total qualified campaign expenditures, such
53 candidate and committee shall [~~use such surplus funds to reimburse the~~
54 ~~fund for payments received by such authorized committee from the fund~~
55 ~~during such calendar year or for such special election] pay the fund the
56 amount of such surplus. Participating candidates shall make such~~~~

1 payments not later than twenty-seven days after all liabilities for the
2 election have been paid and in any event, not later than the day on
3 which the PCFB issues its final audit report for the participating
4 candidate's authorized committee; provided, however, that all unspent
5 public campaign funds for a participating candidate shall be immediately
6 due and payable to the PCFB upon a determination by the PCFB that the
7 participant has delayed the post-election audit. A participating candi-
8 date may make post-election expenditures with public funds only for
9 routine activities involving nominal [~~cost~~] costs associated with wind-
10 ing up a campaign and responding to the post-election audit. Nothing in
11 this title shall be construed to prevent a candidate or his or her
12 authorized committee from using campaign contributions received from
13 private contributors for otherwise lawful expenditures.

14 (d) Candidates shall have thirty days to cure any violations identi-
15 fied by the PCFB in its post-election audit before there may be any
16 declared findings of wrongdoing.

17 § 10. Section 14-212 of the election law, as added by section 4 of
18 part ZZZ of chapter 58 of the laws of 2020, is amended to read as
19 follows:

20 § 14-212. Severability. [~~If any clause, sentence, or other portion of~~
21 ~~paragraph (c) of subdivision two of section 14-203 of this title be~~
22 ~~adjudged by any court of competent jurisdiction to be invalid, then~~
23 ~~subparagraphs (iii) and (iv) of paragraph (a) of subdivision two of~~
24 ~~section 14-203 of this title shall read as follows:~~

25 ~~(iii) state senator, except as otherwise provided in paragraph (c) of~~
26 ~~this subdivision, not less than ten thousand dollars in matchable~~
27 ~~contributions including at least one hundred and fifty matchable~~
28 ~~contributions in an amount greater than five dollars and no greater than~~
29 ~~the limits in this chapter, of which the first two hundred fifty dollars~~
30 ~~shall be counted toward this qualifying threshold; and~~

31 ~~(iv) member of the assembly, except as otherwise provided in paragraph~~
32 ~~(c) of this subdivision, not less than five thousand dollars in matcha-~~
33 ~~ble contributions including at least seventy five matchable contrib-~~
34 ~~utions in an amount greater than five dollars and no greater than the~~
35 ~~limits in this chapter, of which the first two hundred fifty dollars~~
36 ~~shall be counted toward this qualifying threshold.] If any clause,~~

37 sentence, paragraph, subdivision, section or part of this article shall
38 be determined by any court of competent jurisdiction to be invalid, such
39 judgment shall not affect, impair or invalidate the remainder thereof,
40 but shall be confined in its operation to the particular clause,
41 sentence, paragraph, subdivision, section or part thereof directly found
42 invalid in the judgment rendered. It is hereby declared to be the intent
43 of the legislature that this article would have been enacted even if
44 such invalid provisions had not been included herein.

45 § 12. Section 11 of part ZZZ of chapter 58 of the laws of 2020 amend-
46 ing the election law relating to public financing for state office;
47 amending the state finance law relating to establishing the New York
48 state campaign finance fund; and amending the tax law relating to estab-
49 lishing the NYS campaign finance fund check-off, is REPEALED.

50 § 13. This act shall take effect on the ninetieth day after it shall
51 have become a law. Effective immediately, the addition, amendment
52 and/or repeal of any rule or regulation necessary for the implementation
53 of this act on its effective date are authorized to be made and
54 completed by the public campaign finance board on or before such effec-
55 tive date.