Legislative Bill Drafting Commission
12035-01-3

**PROGRAM BILL # 12**

S. --------

Senate

--------

IN SENATE--Introduced by Sen

--read twice and ordered printed, and when printed to be committed to the Committee on

-------- A.

Assembly

--------

IN ASSEMBLY--Introduced by M. of A.

with M. of A. as co-sponsors

--read once and referred to the Committee on

*ELECLA*
(Enacts the "campaign finance reform act of 2013")

--------

Elect. campaign finance reform

AN ACT

to amend the election law, in relation to campaign finance reform and in relation to campaign contribution limits and penalties for violations (Part A); and to amend the election law, in relation to campaign receipts and expenditures; to amend the election law, in relation to contribution and receipt limitations; to amend the election law, in relation to public financing; to amend the general business law, in relation to additional surcharges; to amend the state

**IN SENATE**_____

**Senate introducer's signature**

The senators whose names are circled below wish to join me in the sponsorship of this proposal:

| | | | | |
|---|---|---|---|---|
| s20 Adams | s17 Felder | s63 Kennedy | s25 Montgomery | s23 Savino |
| s15 Addabbo | s02 Flanagan | s34 Klein | s54 Nozzolio | s29 Serrano |
| s11 Avella | s08 Fuschillo | s28 Krueger | s55 O'Brien | s51 Seward |
| s40 Ball | s59 Gallivan | s24 Lanza | s58 O'Mara | s09 Skelos |
| s42 Bonacic | s12 Gianaris | s39 Larkin | s21 Parker | s14 Smith |
| s04 Boyle | s41 Gipson | s37 Latimer | s13 Peralta | s26 Squadron |
| s44 Breslin | s22 Golden | s01 LaValle | s30 Perkins | s16 Stavisky |
| s38 Carlucci | s47 Griffo | s52 Libous | s61 Ranzenhofer | s35 Stewart-Cousins |
| s50 DeFrancisco | s60 Grisanti | s45 Little | s48 Ritchie | s46 Tkaczyk |
| s32 Diaz | s06 Hannon | s05 Marcellino | s33 Rivera | s53 Valesky |
| s18 Dilan | s36 Hassell-Thompson | s43 Marchione | s56 Robach | s57 Young |
| s31 Espaillat | s27 Hoylman | s07 Martins | s19 Sampson | s03 Zeldin |
| s49 Farley | | s62 Maziarz | s10 Sanders | |

**IN ASSEMBLY**_____

**Assembly introducer's signature**

The Members of the Assembly whose names are circled below wish to join me in the multi-sponsorship of this proposal:

| | | | | |
|---|---|---|---|---|
| a049 Abbate | a081 Dinowitz | a135 Johns | a133 Nojay | a140 Schimminger |
| a092 Abinanti | a147 DiPietro | a113 Jordan | a037 Nolan | a087 Sepulveda |
| a084 Arroyo | a115 Duprey | a094 Katz | a130 Oaks | a065 Silver |
| a035 Aubry | a004 Englebright | a074 Kavanagh | a069 O'Donnell | a027 Simanowitz |
| a120 Barclay | a054 Espinal | a142 Kearns | a051 Ortiz | a036 Simotas |
| a106 Barrett | a109 Fahy | a076 Kellner | a091 Otis | a104 Skartados |
| a060 Barron | a071 Farrell | a040 Kim | a132 Palmesano | a099 Skoufis |
| a082 Benedetto | a126 Finch | a131 Kolb | a088 Paulin | a022 Solages |
| a117 Blankenbush | a008 Fitzpatrick | a105 Lalor | a141 Peoples-Stokes | a114 Stec |
| a062 Borelli | a124 Friend | a013 Lavine | a058 Perry | a110 Steck |
| a055 Boyland | a143 Gabryszak | a050 Lentol | a089 Pretlow | a079 Stevenson |
| a026 Braunstein | a095 Galef | a125 Lifton | a073 Quart | a127 Stirpe |
| a044 Brennan | a137 Gantt | a102 Lopez, P. | a019 Ra | a011 Sweeney |
| a119 Brindisi | a007 Garbarino | a123 Lupardo | a098 Rabbitt | a112 Tedisco |
| a138 Bronson | a077 Gibson | a010 Lupinacci | a012 Raia | a101 Tenney |
| a046 Brook-Krasny | a148 Giglio | a121 Magee | a006 Ramos | a001 Thiele |
| a093 Buchwald | a080 Gjonaj | a129 Magnarelli | a134 Reilich | a061 Titone |
| a118 Butler | a066 Glick | a059 Maisel | a078 Rivera | a031 Titus |
| a103 Cahill | a023 Goldfeder | a064 Malliotakis | a128 Roberts | a146 Walter |
| a043 Camara | a150 Goodell | a030 Markey | a056 Robinson | a041 Weinstein |
| a145 Ceretto | a075 Gottfried | a090 Mayer | a068 Rodriguez | a020 Weisenberg |
| a033 Clark | a005 Graf | a108 McDonald | a072 Rosa | a024 Weprin |
| a047 Colton | a100 Gunther | a014 McDonough | a067 Rosenthal | a070 Wright |
| a032 Cook | a139 Hawley | a017 McKevitt | a025 Rozic | a096 Zebrowski |
| a144 Corwin | a083 Heastie | a107 McLaughlin | a116 Russell | a002 |
| a085 Crespo | a003 Hennessey | a038 Miller | a149 Ryan | a053 |
| a122 Crouch | a028 Hevesi | a052 Millman | a009 Saladino | a086 |
| a021 Curran | a048 Hikind | a015 Montesano | a111 Santabarbara | |
| a063 Cusick | a018 Hooper | a136 Morelle | a029 Scarborough | |
| a045 Cymbrowitz | a042 Jacobs | a057 Mosley | a016 Schimel | |
| a034 DenDekker | a097 Jaffee | a039 Moya | | |

1) Single House Bill (introduced and printed separately in either or both houses). Uni-Bill (introduced simultaneously in both houses and printed as one bill. Senate and Assembly introducer sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2 signed copies of bill and 4 copies of memorandum in support (single house); or 4 signed copies of bill and 8 copies of memorandum in support (uni-bill).

LBDC 05/20/13

finance law, in relation to the New York state campaign finance fund; and to amend the tax law, in relation to the New York state campaign finance fund check-off (Part B)

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

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to enact campaign finance reform. Each component is
3 wholly contained within a Part identified as Parts A through B. The
4 effective date for each particular provision contained within such Part
5 is set forth in the last section of such Part. Any provision in any
6 section contained within a Part, including the effective date of the
7 Part, which makes a reference to a section "of this act", when used in
8 connection with that particular component, shall be deemed to mean and
9 refer to the corresponding section of the Part in which it is found.
10 Section four of this act sets forth the general effective date of this
11 act.
12 § 2. This act shall be known and may be cited as the "campaign finance
13 reform act of 2013".

14 PART A

15 Section 1. Section 14-100 of the election law is amended by adding
16 four new subdivisions 12, 13, 14 and 15 to read as follows:
17 12. "clearly identified candidate" means that:
18 (a) the name of the candidate involved appears;
19 (b) a photograph or drawing of the candidate appears; or
20 (c) the identity of the candidate is apparent by unambiguous refer-
21 ence.
22 13. "general public audience" means an audience composed of members of
23 the public, including a targeted subgroup of members of the public;
24 provided, however, it does not mean an audience solely comprised of
25 members, retirees and staff of a labor organization or their immediate
26 family members or an audience solely comprised of employees of a corpo-

1 ration, unincorporated business entity or members of a business, trade
2 or professional association or organization.
3 14. "labor organization" means any organization of any kind which
4 exists for the purpose, in whole or in part, of representing employees
5 employed within the state of New York in dealing with employers or
6 employer organizations or with a state government, or any political or
7 civil subdivision or other agency thereof, concerning terms and condi-
8 tions of employment, grievances, labor disputes, or other matters inci-
9 dental to the employment relationship. For the purposes of this article,
10 each local, parent national or parent international organization of a
11 statewide labor organization, and each statewide federation receiving
12 dues from subsidiary labor organizations, shall be considered a separate
13 labor organization.
14 15. "intermediary" means an individual, corporation, partnership,
15 political committee, labor organization, or other entity which, other
16 than in the regular course of business as a postal, delivery, or messen-
17 ger service, delivers any contribution from another person or entity to
18 a candidate or an authorized committee.
19 "Intermediary" shall not include spouses, parents, children, or
20 siblings of the person making such contribution.
21 § 2. Subdivision 1 of section 14-102 of the election law, as amended
22 by chapter 8 and as redesignated by chapter 9 of the laws of 1978, is
23 amended to read as follows:
24 1. The treasurer of every political committee which, or any officer,
25 member or agent of any such committee who, in connection with any
26 election, receives or expends any money or other valuable thing or
27 incurs any liability to pay money or its equivalent shall file state-
28 ments sworn, or subscribed and bearing a form notice that false state-

1 ments made therein are punishable as a class A misdemeanor pursuant to
2 section 210.45 of the penal law, at the times prescribed by this [arti-
3 cle] title setting forth all the receipts, contributions to and the
4 expenditures by and liabilities of the committee, and of its officers,
5 members and agents in its behalf. Such statements shall include the
6 dollar amount of any receipt, contribution or transfer, or the fair
7 market value of any receipt, contribution or transfer, which is other
8 than of money, the name and address of the transferor, contributor,
9 intermediary, or person from whom received, and if the transferor,
10 contributor, intermediary, or person is a political committee; the name
11 of and the political unit represented by the committee, the date of its
12 receipt, the dollar amount of every expenditure, the name and address of
13 the person to whom it was made or the name of and the political unit
14 represented by the committee to which it was made and the date thereof,
15 and shall state clearly the purpose of such expenditure. An intermediary
16 need not be reported for a contribution that was collected from a
17 contributor in connection with a party or other candidate-related event
18 held at the residence of the person delivering the contribution, unless
19 the expenses of such event at such residence for such candidate exceed
20 five hundred dollars or the aggregate contributions received from that
21 contributor at such event exceed five hundred dollars. Any statement
22 reporting a loan shall have attached to it a copy of the evidence of
23 indebtedness. Expenditures in sums under fifty dollars need not be
24 specifically accounted for by separate items in said statements, and
25 receipts and contributions aggregating not more than ninety-nine
26 dollars, from any one contributor need not be specifically accounted for
27 by separate items in said statements, provided however, that such

1 expenditures, receipts and contributions shall be subject to the other
2 provisions of section 14-118 of this [article] title.
3 § 3. Section 14-106 of the election law, as amended by section 2 of
4 part E of chapter 399 of the laws of 2011, is amended to read as
5 follows:
6 § 14-106. Political communication. The statements required to be filed
7 under the provisions of this article next succeeding a primary, general
8 or special election shall be accompanied by a copy of all broadcast,
9 cable or satellite schedules and scripts, internet, print and other
10 types of advertisements, pamphlets, circulars, flyers, brochures,
11 letterheads and other printed matter purchased or produced, and reprod-
12 uctions of statements or information published to one thousand or more
13 members of a general public audience by computer or other electronic
14 device including but not limited to electronic mail or text message,
15 purchased in connection with such election by or under the authority of
16 the person filing the statement or the committee or the person on whose
17 behalf it is filed, as the case may be. Such copies, schedules and
18 scripts shall be preserved by the officer with whom or the board with
19 which it is required to be filed for a period of one year from the date
20 of filing thereof.
21 § 4. The election law is amended by adding a new section 14-107 to
22 read as follows:
23 § 14-107. Independent expenditure reporting. 1. For purposes of this
24 article:
25 (a) "Independent expenditure" means an expenditure made by a person
26 for an audio or video communication via broadcast, cable or satellite or
27 a written communication to a general public audience via advertisements,
28 pamphlets, circulars, flyers, brochures, letterheads or other printed

1 matter and statements or information conveyed to one thousand or more
2 members of a general public audience which: (i) unambiguously refers to
3 and advocates for or against a clearly identified candidate or expressly
4 advocates the success or defeat of a ballot proposal, and (ii) such
5 candidate, the candidate's political committee or its agents, or a poli-
6 tical committee formed to promote the success or defeat of a ballot
7 proposal or its agents, did not authorize, request, suggest, foster or
8 cooperate in any such communication. For the purposes of this defi-
9 nition, a communication advocates for or against a candidate when it (i)
10 irrespective of when such communication is made, contains words such as
11 "vote," "oppose," "support," "elect," "defeat," or "reject," which call
12 for the election or defeat of the clearly identified candidate, or (ii)
13 within one year of the election but more than sixty days before a gener-
14 al or special election for the office sought by the candidate or thirty
15 days before a primary election, could only be interpreted by a reason-
16 able person as advocating for the election or defeat of the clearly
17 identified candidate in such election based upon unequivocal, unambig-
18 uous terms of support or opposition, or (iii) within sixty days prior to
19 a general or special election for the office sought by the candidate or
20 thirty days before a primary election, includes or references a clearly
21 identified candidate.
22 (b) Independent expenditures do not include expenditures in connection
23 with:
24 (i) a written news story, commentary, or editorial or a news story,
25 commentary, or editorial distributed through the facilities of any
26 broadcasting station, cable or satellite unless such publication or
27 facilities are owned or controlled by any political party, political
28 committee or candidate; or

1 (ii) a communication that constitutes a candidate debate or forum; or
2 (iii) internal communication by members to other members of a member-
3 ship organization, for the purpose of supporting or opposing a candidate
4 or candidates for elective office, provided such expenditures are not
5 used for the costs of campaign material or communications used in
6 connection with broadcasting, telecasting, newspapers, magazines, or
7 other periodical publication, billboards, or similar types of general
8 public communications; or
9 (iv) a communication published on the Internet, unless the communi-
10 cation is a paid advertisement.
11 (c) For purposes of this section, the term "person" shall mean person,
12 group of persons, corporation, unincorporated business entity, labor
13 organization or business, trade or professional association or organiza-
14 tion, or political committee.
15 2. Whenever any person makes an independent expenditure that costs
16 more than one thousand dollars in the aggregate, such communication
17 shall clearly state the name of the person who paid for, or otherwise
18 published or distributed the communication and state, with respect to
19 communications regarding candidates, that the communication was not
20 expressly authorized or requested by any candidate, or by any candi-
21 date's political committee or any of its agents.
22 3. (a) Any person who makes any independent expenditure in an upcoming
23 calendar year shall first register with the state board of elections as
24 a political committee in conformance with this article.
25 (b) Any person who is registered pursuant to paragraph (a) of this
26 subdivision shall report independent expenditures over one thousand
27 dollars to the state board of elections on a statement in the form set

1 forth in subdivision four of this section and at times set forth in this
2 subdivision.
3 (c) Any contribution over one thousand dollars made to any person who
4 has registered with the state board of elections pursuant to paragraph
5 (a) of this subdivision prior to thirty days before any primary, gener-
6 al, or special election shall be disclosed by such person to the state
7 board of elections electronically within forty-eight hours of receipt.
8 (d) Any contribution over one thousand dollars made to any person who
9 has registered with the state board of elections pursuant to paragraph
10 (a) of this subdivision within thirty days before any primary, general,
11 or special election shall be disclosed by such person to the state board
12 of elections electronically within twenty-four hours of receipt.
13 (e) A knowing and willful violation of the provisions of this subdivi-
14 sion shall subject the person to a civil penalty equal to five thousand
15 dollars or the cost of the communication, whichever is greater, in a
16 special proceeding or civil action brought by the board or imposed
17 directly by the board of elections.
18 4. Each such statement in subdivision three of this section shall
19 include, in addition to any other information required by law:
20 (a) the name, address, occupation and employer of the person making
21 the statement;
22 (b) the name, address, occupation and employer of the person making
23 the independent expenditure;
24 (c) the name, address, occupation and employer of any person providing
25 a contribution, gift, loan, advance or deposit of one thousand dollars
26 or more for the independent expenditure, or the provision of services
27 for the same, and the date it was given; provided, however, the name and
28 address of a member of a labor organization is not required for a

1 contribution, gift, loan, advance or deposit to a labor organization;
2 and provided further that the name and address of an employee of a
3 corporation, unincorporated business entity or a member of a business,
4 trade or professional association or organization is not required for a
5 contribution, gift, loan, advance or deposit to such corporation, unin-
6 corporated business entity or business, trade or professional associ-
7 ation or organization respectively;
8 (d) the dollar amount paid for each independent expenditure, the name
9 and address of the person or entity receiving the payment, the date the
10 payment was made and a description of the independent expenditure; and
11 (e) the election to which the independent expenditure pertains and the
12 name of the clearly identified candidate or the ballot proposal refer-
13 enced.
14 5. A copy of all political communications paid for by the independent
15 expenditure, including but not limited to broadcast, cable or satellite
16 schedules and scripts, advertisements, pamphlets, circulars, flyers,
17 brochures, letterheads and other printed matter and statements or infor-
18 mation conveyed to one thousand or more members of a general public
19 audience by computer or other electronic devices shall be filed with the
20 state board of elections with the statements required by this section.
21 6. Every statement required to be filed pursuant to this section shall
22 be filed electronically with the state board of elections.
23 7. The state board of elections shall promulgate regulations with
24 respect to the statements required to be filed by this section and shall
25 provide forms suitable for such statements.
26 § 5. Subdivision 3 of section 14-124 of the election law, as amended
27 by chapter 71 of the laws of 1988, is amended to read as follows:

1 3. The contribution and receipt limits of this article shall not apply
2 to monies received and expenditures made by a party committee or consti-
3 tuted committee to maintain a permanent headquarters and staff and carry
4 on ordinary activities which are not for the express purpose of promot-
5 ing the candidacy of specific candidates, except that contributions made
6 for such activities to a party committee or constituted committee shall
7 be limited to twenty-five thousand dollars in the aggregate from each
8 contributor in each year.
9 § 6. Section 14-126 of the election law, as amended by section 3 of
10 part E of chapter 399 of the laws of 2011, is amended to read as
11 follows:
12 § 14-126. Violations; penalties. 1. (a) Any person who fails to file a
13 statement required to be filed by this article shall be subject to a
14 civil penalty, not in excess of one thousand dollars, to be recoverable
15 in a special proceeding or civil action to be brought by the state board
16 of elections [or other board of elections] chief enforcement counsel
17 pursuant to section 16-114 of this chapter or imposed directly by the
18 state board of elections. Any person who, three or more times within a
19 given election cycle for such term of office, fails to file a statement
20 or statements required to be filed by this article, shall be subject to
21 a civil penalty, not in excess of ten thousand dollars, to be recovera-
22 ble as provided for in this subdivision.
23 (b) Fines authorized to be imposed directly by the state board of
24 elections shall be after a hearing at which the subject person or
25 authorized committee shall be given the opportunity to be heard. Such
26 hearing shall be held in such manner and upon such notice as may be
27 prescribed by the rules of the state board of elections. For purposes of
28 conducting such hearings, the state board of elections shall be deemed

1 to be an agency within the meaning of article three of the state admin-
2 istrative procedure act and shall adopt rules governing the conduct of
3 adjudicatory proceedings and appeals taken pursuant to a proceeding
4 commenced under article seventy-eight of the civil practice law and
5 rules relating to the assessment of the civil penalties authorized in
6 this section.
7 (c) All payments received by the state board of elections pursuant to
8 this section shall be retained in the appropriate accounts as designated
9 by the division of the budget for enforcement activities by the board of
10 elections.
11 2. Any person who, acting as or on behalf of a candidate or political
12 committee, under circumstances evincing an intent to violate such law,
13 unlawfully accepts a contribution in excess of a contribution limitation
14 established in this article, shall be required to refund such excess
15 amount and shall be subject to a civil penalty equal to the excess
16 amount plus a fine of up to ten thousand dollars, to be recoverable in a
17 special proceeding or civil action to be brought by the state board of
18 elections chief enforcement counsel or imposed directly by the state
19 board of elections.
20 3. Any person who falsely identifies or fails to identify any inde-
21 pendent expenditure as required by subdivision two of section 14-107 of
22 this article shall be subject to a civil penalty equal to one thousand
23 dollars or the cost of the communication, whichever is greater, in a
24 special proceeding or civil action brought by the state board of
25 elections chief enforcement counsel or imposed directly by the state
26 board of elections. For purposes of this subdivision, the term "person"
27 shall mean a person, group of persons, corporation, unincorporated busi-

1 ness entity, labor organization or business, trade or professional asso-
2 ciation or organization or political committee.
3 4. Any person who knowingly and willfully fails to file a statement
4 required to be filed by this article within ten days after the date
5 provided for filing such statement or any person who knowingly and will-
6 fully violates any other provision of this article shall be guilty of a
7 misdemeanor.
8 [4.] 5. Any person who knowingly and willfully contributes, accepts or
9 aids or participates in the acceptance of a contribution in an amount
10 exceeding an applicable maximum specified in this article shall be guil-
11 ty of a class A misdemeanor.
12 [5.] 6. Any person who shall, acting on behalf of a candidate or poli-
13 tical committee, knowingly and willfully solicit, organize or coordinate
14 the formation of activities of one or more unauthorized committees, make
15 expenditures in connection with the nomination for election or election
16 of any candidate, or solicit any person to make any such expenditures,
17 for the purpose of evading the contribution limitations of this article,
18 shall be guilty of a class E felony.
19 § 7. This act shall take effect June 1, 2014.

20 PART B

21 Section 1. The article heading of article 14 of the election law is
22 amended to read as follows:
23 [Campaign Receipts and Expenditures] CAMPAIGN RECEIPTS AND EXPENDI-
24 TURES; PUBLIC FINANCING

1 § 2. Sections 14-100 through 14-130 of article 14 of the election law
2 are designated title I and a new title heading is added to read as
3 follows:

4 CAMPAIGN RECEIPTS AND EXPENDITURES

5 § 3. Section 14-100 of the election law is amended by adding a new
6 subdivision 15 to read as follows:

7 15. "authorized committee" means the single political committee desig-
8 nated by a candidate to receive all contributions authorized by this
9 title.

10 § 3-a. Section 3-104 of the election law is amended by adding a new
11 subdivision 6 to read as follows:

12 6. There shall be a unit known as the state board of elections public
13 financing unit established within the state board of elections, which
14 shall be responsible for administering and, with the enforcement unit,
15 enforcing the requirements of the public financing system set forth in
16 title two of article fourteen of this chapter.

17 § 3-b. Subdivision 2 of section 14-108 of the election law, as amended
18 by chapter 109 of the laws of 1997, is amended to read as follows:

19 2. Each statement shall cover the period up to and including the
20 fourth day next preceding the day specified for the filing thereof[;
21 provided, however, that]. The receipt of any contribution or loan in
22 excess of one thousand dollars shall be disclosed within forty-eight
23 hours of receipt, and shall be reported in the same manner as any other
24 contribution or loan on the next applicable statement. However, any
25 contribution or loan in excess of one thousand dollars, if received
26 after the close of the period to be covered in the last statement filed
27 before any primary, general or special election but before such

1 election, shall be reported, in the same manner as other contributions,
2 within twenty-four hours after receipt.
3 § 4. Subdivisions 1 and 10 of section 14-114 of the election law,
4 subdivision 1 as amended and subdivision 10 as added by chapter 79 of
5 the laws of 1992 and paragraphs a and b of subdivision 1 as amended by
6 chapter 659 of the laws of 1994, are amended to read as follows:
7 1. The following limitations apply to all contributions to candidates
8 for election to any public office or for nomination for any such office,
9 or for election to any party positions, and to all contributions to
10 political committees working directly or indirectly with any candidate
11 to aid or participate in such candidate's nomination or election, other
12 than any contributions to any party committee or constituted committee:
13 a. In any election for a public office to be voted on by the voters of
14 the entire state, or for nomination to any such office, no contributor
15 may make a contribution to any candidate or political committee <u>partic-</u>
16 <u>ipating in the state's public campaign financing system as defined in</u>
17 <u>title two of this article</u>, and no <u>such</u> candidate or political committee
18 may accept any contribution from any contributor, which is in the aggre-
19 gate amount greater than: (i) in the case of any nomination to public
20 office, the product of the total number of enrolled voters in the candi-
21 date's party in the state, excluding voters in inactive status, multi-
22 plied by $.005, but such amount shall be not [less than four thousand
23 dollars nor] more than [twelve] <u>six</u> thousand dollars [as increased or
24 decreased by the cost of living adjustment described in paragraph c of
25 this subdivision,] and (ii) in the case of any election to [a] <u>such</u>
26 public office, [twenty-five] <u>six</u> thousand dollars [as increased or
27 decreased by the cost of living adjustment described in paragraph c of
28 this subdivision]; provided however, that the maximum amount which may

1 be so contributed or accepted, in the aggregate, from any candidate's
2 child, parent, grandparent, brother and sister, and the spouse of any
3 such persons, shall not exceed in the case of any nomination to public
4 office an amount equivalent to the product of the number of enrolled
5 voters in the candidate's party in the state, excluding voters in inac-
6 tive status, multiplied by $.025, and in the case of any election for a
7 public office, an amount equivalent to the product of the number of
8 registered voters in the state excluding voters in inactive status,
9 multiplied by $.025.

10 b. In any other election for party position or for election to a
11 public office or for nomination for any such office, no contributor may
12 make a contribution to any candidate or political committee <u>participat-</u>
13 <u>ing in the state's public campaign financing system defined in title two</u>
14 <u>of this article (for those offices or positions covered by that system)</u>
15 and no <u>such</u> candidate or political committee may accept any contribution
16 from any contributor, which is in the aggregate amount greater than: (i)
17 in the case of any election for party position, or for nomination to
18 public office, the product of the total number of enrolled voters in the
19 candidate's party in the district in which he is a candidate, excluding
20 voters in inactive status, multiplied by $.05, and (ii) in the case of
21 any election for a public office, the product of the total number of
22 registered voters in the district, excluding voters in inactive status,
23 multiplied by $.05, however in the case of a nomination within the city
24 of New York for the office of mayor, public advocate or comptroller,
25 such amount shall be not less than four thousand dollars nor more than
26 twelve thousand dollars as increased or decreased by the cost of living
27 adjustment described in paragraph [c] <u>e</u> of this subdivision; in the case
28 of an election within the city of New York for the office of mayor,

1 public advocate or comptroller, twenty-five thousand dollars as
2 increased or decreased by the cost of living adjustment described in
3 paragraph [c] e of this subdivision; in the case of a nomination or
4 election for state senator, four thousand dollars [as increased or
5 decreased by the cost of living adjustment described in paragraph c of
6 this subdivision; in the case of an election for state senator, six
7 thousand two hundred fifty dollars as increased or decreased by the cost
8 of living adjustment described in paragraph c of this subdivision]; in
9 the case of an election or nomination for a member of the assembly,
10 [twenty-five hundred] two thousand dollars [as increased or decreased by
11 the cost of living adjustment described in paragraph c of this subdivi-
12 sion; but in no event shall any such maximum exceed fifty thousand
13 dollars or be less than one thousand dollars]; provided however, that
14 the maximum amount which may be so contributed or accepted, in the
15 aggregate, from any candidate's child, parent, grandparent, brother and
16 sister, and the spouse of any such persons, shall not exceed in the case
17 of any election for party position or nomination for public office an
18 amount equivalent to the number of enrolled voters in the candidate's
19 party in the district in which he is a candidate, excluding voters in
20 inactive status, multiplied by $.25 and in the case of any election to
21 public office, an amount equivalent to the number of registered voters
22 in the district, excluding voters in inactive status, multiplied by
23 $.25; or twelve hundred fifty dollars, whichever is greater, or in the
24 case of a nomination or election of a state senator, twenty thousand
25 dollars, whichever is greater, or in the case of a nomination or
26 election of a member of the assembly twelve thousand five hundred
27 dollars, whichever is greater, but in no event shall any such maximum
28 exceed one hundred thousand dollars.

1 c. In any election for a public office to be voted on by the voters
2 of the entire state, or for nomination to any such office, no contribu-
3 tor may make a contribution to any candidate or political committee in
4 connection with a candidate who is not a participating candidate as
5 defined in subdivision fourteen of section 14-200-a of this article, and
6 no such candidate or political committee may accept any contribution
7 from any contributor, which is in the aggregate amount greater than:
8 (i) in the case of any nomination to public office, the product of the
9 total number of enrolled voters in the candidate's party in the state,
10 excluding voters in inactive status, multiplied by $.005, but such
11 amount shall be not less than four thousand dollars nor more than ten
12 thousand dollars, and (ii) in the case of any election to a public
13 office, fifteen thousand dollars; provided however, that the maximum
14 amount which may be so contributed or accepted, in the aggregate, from
15 any candidate's child, parent, grandparent, brother and sister, and the
16 spouse of any such persons, shall not exceed in the case of any nomi-
17 nation to public office an amount equivalent to the product of the
18 number of enrolled voters in the candidate's party in the state, exclud-
19 ing voters in inactive status, multiplied by $.025, and in the case of
20 any election for a public office, an amount equivalent to the product of
21 the number of registered voters in the state excluding voters in inac-
22 tive status, multiplied by $.025.
23 d. In any other election for party position or for election to a
24 public office or for nomination for any such office, no contributor may
25 make a contribution to any candidate or political committee in
26 connection with a candidate who is not a participating candidate as
27 defined in subdivision fourteen of section 14-200-a of this article and
28 no such candidate or political committee may accept any contribution

1 from any contributor, which is in the aggregate amount greater than: (i)
2 in the case of any election for party position, or for nomination to
3 public office, the product of the total number of enrolled voters in the
4 candidate's party in the district in which he is a candidate, excluding
5 voters in inactive status, multiplied by $.05, and (ii) in the case of
6 any election for a public office, the product of the total number of
7 registered voters in the district, excluding voters in inactive status,
8 multiplied by $.05, however in the case of a nomination within the city
9 of New York for the office of mayor, public advocate or comptroller,
10 such amount shall be not less than four thousand dollars nor more than
11 twelve thousand dollars as increased or decreased by the cost of living
12 adjustment described in paragraph e of this subdivision; in the case of
13 an election within the city of New York for the office of mayor, public
14 advocate or comptroller, twenty-five thousand dollars as increased or
15 decreased by the cost of living adjustment described in paragraph e of
16 this subdivision; in the case of a nomination or election for state
17 senator, five thousand dollars; in the case of an election or nomination
18 for a member of the assembly, three thousand dollars; provided however,
19 that the maximum amount which may be so contributed or accepted, in the
20 aggregate, from any candidate's child, parent, grandparent, brother and
21 sister, and the spouse of any such persons, shall not exceed in the case
22 of any election for party position or nomination for public office an
23 amount equivalent to the number of enrolled voters in the candidate's
24 party in the district in which he is a candidate, excluding voters in
25 inactive status, multiplied by $.25 and in the case of any election to
26 public office, an amount equivalent to the number of registered voters
27 in the district, excluding voters in inactive status, multiplied by
28 $.25; or twelve hundred fifty dollars, whichever is greater, or in the

1 case of a nomination or election of a state senator, twenty thousand
2 dollars, whichever is greater, or in the case of a nomination or
3 election of a member of the assembly twelve thousand five hundred
4 dollars, whichever is greater, but in no event shall any such maximum
5 exceed one hundred thousand dollars.
6 e. At the beginning of each fourth calendar year, commencing in [nine-
7 teen hundred ninety-five] two thousand twenty-one, the state board shall
8 determine the percentage of the difference between the most recent
9 available monthly consumer price index for all urban consumers published
10 by the United States bureau of labor statistics and such consumer price
11 index published for the same month four years previously. The amount of
12 each contribution limit fixed and expressly identified for adjustment in
13 this subdivision shall be adjusted by the amount of such percentage
14 difference to the closest one hundred dollars by the state board which,
15 not later than the first day of February in each such year, shall issue
16 a regulation publishing the amount of each such contribution limit. Each
17 contribution limit as so adjusted shall be the contribution limit in
18 effect for any election held before the next such adjustment.
19 f. Each party or constituted committee may transfer to, or spend to
20 elect or oppose a candidate, or transfer to another party or constituted
21 committee, no more than five thousand dollars per election, except that
22 such committee may in addition to such transfers or expenditures:
23 (i) in a general or special election transfer to, or spend to elect or
24 oppose a candidate, no more than five hundred dollars received from each
25 contributor; and
26 (ii) in any election spend without limitation for non-candidate
27 expenditures not designed or intended to elect a particular candidate or
28 candidates.

1 g. Notwithstanding any other contribution limit in this section,
2 participating candidates as defined in subdivision fourteen of section
3 14-200-a of this article may contribute, out of their own money, three
4 times the applicable contribution limit to their own authorized commit-
5 tee.
6 10. [a.] No contributor may make a contribution to a party or consti-
7 tuted committee and no such committee may accept a contribution from any
8 contributor which, in the aggregate, is greater than [sixty-two thousand
9 five hundred] twenty-five thousand dollars per annum.
10 [b. At the beginning of each fourth calendar year, commencing in nine-
11 teen hundred ninety-five, the state board shall determine the percentage
12 of the difference between the most recent available monthly consumer
13 price index for all urban consumers published by the United States
14 bureau of labor statistics and such consumer price index published for
15 the same month four years previously. The amount of such contribution
16 limit fixed in paragraph a of this subdivision shall be adjusted by the
17 amount of such percentage difference to the closest one hundred dollars
18 by the state board which, not later than the first day of February in
19 each such year, shall issue a regulation publishing the amount of such
20 contribution limit. Such contribution limit as so adjusted shall be the
21 contribution limit in effect for any election held before the next such
22 adjustment.]
23 § 5. Section 14-116 of the election law, subdivision 1 as redesignated
24 by chapter 9 of the laws of 1978 and subdivision 2 as amended by chapter
25 260 of the laws of 1981, is amended to read as follows:
26 § 14-116. Political contributions by certain organizations. 1. No
27 corporation, limited liability company, or joint-stock association doing
28 business in this state, except a corporation or association organized or

1 maintained for political purposes only, shall directly or indirectly pay
2 or use or offer, consent or agree to pay or use any money or property
3 for or in aid of any political party, committee or organization, or for,
4 or in aid of, any corporation, limited liability company, joint-stock or
5 other association organized or maintained for political purposes, or
6 for, or in aid of, any candidate for political office or for nomination
7 for such office, or for any political purpose whatever, or for the
8 reimbursement or indemnification of any person for moneys or property so
9 used. Any officer, director, stock-holder, attorney or agent of any
10 corporation, limited liability company, or joint-stock association which
11 violates any of the provisions of this section, who participates in,
12 aids, abets or advises or consents to any such violations, and any
13 person who solicits or knowingly receives any money or property in
14 violation of this section, shall be guilty of a misdemeanor.
15 2. Notwithstanding the provisions of subdivision one of this section,
16 any corporation or an organization financially supported in whole or in
17 part, by such corporation may make expenditures, including contrib-
18 utions, not otherwise prohibited by law, for political purposes, in an
19 amount not to exceed [five] one thousand dollars in the aggregate in any
20 calendar year; provided that no public utility shall use revenues
21 received from the rendition of public service within the state for
22 contributions for political purposes unless such cost is charged to the
23 shareholders of such a public service corporation.
24 § 6. Section 14-130 of the election law, as added by chapter 152 of
25 the laws of 1985, is amended to read as follows:
26 § 14-130. Campaign funds for personal use. 1. Contributions received
27 by a candidate or a political committee may be expended for any lawful
28 purpose that is directly related to promoting the nomination or election

1 of a candidate or the execution of duties associated with the holding of
2 a public office or party position. Such funds shall not be converted by
3 any person to a personal use [which is unrelated to a political campaign
4 or the holding of a public office or party position].
5 2. No contribution shall be used to pay interest or any other finance
6 charges upon monies loaned to the campaign by such candidate or the
7 spouse of such candidate.
8 3. (a) As used in this section, expenditures for "personal use" are
9 defined as expenditures that are exclusively for the personal benefit of
10 the candidate or any other individual, and are used to fulfill any
11 commitment, obligation, or expense of a person that would exist irre-
12 spective of the candidate's election campaign or the execution of the
13 duties of public office or the execution of the duties of a party offi-
14 cial.
15 (b) Expenditures for personal use shall include, but are not limited
16 to, expenses for the following:
17 (i) any residential or household items, supplies or expenditures,
18 including mortgage, rent or utility payments for any part of any
19 personal residence of a candidate or officeholder or a member of the
20 candidate's or officeholder's family that are not incurred as a result
21 of, or to facilitate, the individual's campaign, or the execution of his
22 or her public duties. In the event that any property or building is used
23 for both personal and campaign use, personal use shall constitute
24 expenses that exceed the pro-rated amount for such expenses based on
25 fair-market value.
26 (ii) mortgage, rent, or utility payments for any part of any non-
27 residential property that is owned by a candidate or officeholder or a
28 member of a candidate's or officeholder's family and used for campaign

1 purposes, to the extent the payments exceed the fair market value of the
2 property's usage for campaign activities;
3 (iii) clothing, other than items that are used in the campaign;
4 (iv) tuition payments;
5 (v) childcare costs;
6 (vi) dues, fees, or gratuities at a country club, health club, recre-
7 ational facility or other nonpolitical organization, unless they are
8 part of a specific fundraising event that takes place on the organiza-
9 tion's premises;
10 (vii) salary payments or other compensation provided to any person
11 whose services are not solely for campaign purposes or provided in
12 connection with the execution of the duties of public office;
13 (viii) salary payments or other compensation provided to a member of a
14 candidate's family, unless the family member is providing bona fide
15 services to the campaign. If a family member provides bona fide services
16 to a campaign, any salary payments or other compensation in excess of
17 the fair market value of the services provided shall be considered
18 payments for personal use;
19 (ix) admission to a sporting event, concert, theater, or other form of
20 entertainment, unless such event is part of a campaign or officeholder
21 activity;
22 (x) payment of any fines or penalties assessed pursuant to this chap-
23 ter or in connection with a criminal conviction or by the joint commis-
24 sion for public ethics or the legislative ethics commission;
25 (xi) travel expenses including automobile purchases or leases, unless
26 used solely for campaign purposes or in connection with the execution of
27 the duties of public office. If a candidate uses campaign funds to pay
28 expenses associated with travel that involves both personal activities

1 and campaign activities or official duties, the incremental expenses
2 that result from the personal activities shall be considered for
3 personal use unless the person or persons benefiting from the use reim-
4 burse or reimburses the campaign account within ninety days for the full
5 amount of the incremental expenses; and
6 (xii) any other expenditure designated by the state board of elections
7 as constituting personal use.
8 4. Nothing in this section shall prohibit a candidate from purchasing
9 equipment or property from his or her personal funds and leasing or
10 renting such equipment or property to a committee working directly or
11 indirectly with him to aid or participate in his or her nomination or
12 election, including an exploratory committee, provided that the candi-
13 date and his or her campaign treasurer sign a written lease or rental
14 agreement. Such agreement shall include the lease or rental price, which
15 shall not exceed the fair lease or rental value of the equipment. The
16 candidate shall not receive lease or rental payments which, in the
17 aggregate, exceed the cost of purchasing the equipment or property.
18 5. Nothing in this section shall prohibit an elected public office-
19 holder from using campaign contributions to facilitate, support, or
20 otherwise assist in the execution or performance of the duties of his or
21 her public office.
22 6. The state board of elections shall issue advisory opinions from
23 time to time upon request to address the application of this section.
24 § 7. Article 14 of the election law is amended by adding a new title
25 II to read as follows:
26 TITLE II
27 PUBLIC FINANCING
28 Section 14-200. Legislative findings and intent.

1 14-200-a. Definitions.

2 14-201. Reporting requirements.

3 14-202. Contributions.

4 14-203. Proof of compliance.

5 14-204. Eligibility.

6 14-205. Limits on public financing.

7 14-206. Payment of public matching funds.

8 14-207. Use of public matching funds; qualified campaign

9 expenditures.

10 14-208. Powers and duties of board.

11 14-209. Audits and repayments.

12 14-210. Enforcement and penalties for violations and other

13 proceedings.

14 14-211. Reports.

15 14-212. Debates for candidates for statewide office.

16 14-213. Severability.

17 § 14-200. Legislative findings and intent. The legislature finds that

18 reform of New York state's campaign finance system is crucial to improv-

19 ing public confidence in the state's democratic processes and continuing

20 to ensure a government that is accountable to all of the voters of the

21 state regardless of wealth or position. The legislature finds that New

22 York's current system of campaign finance, with its large contributions

23 to candidates for office and party committees, has created the potential

24 for and the appearance of corruption. The legislature further finds

25 that, whether or not this system creates actual corruption, the appear-

26 ance of such corruption can give rise to a distrust in government and

27 citizen apathy that undermine the democratic operation of the political

28 process.

1 The legislature also finds that the high cost of running for office in
2 New York discourages qualified candidates from running for office and
3 creates an electoral system that encourages candidates to spend too much
4 time raising money rather than attending to the duties of their office,
5 representing the needs of their constituents, and communicating with
6 voters.
7 The legislature amends this chapter creating a new title two to arti-
8 cle fourteen of this chapter to reduce the possibility and appearance
9 that special interests exercise undue influence over state officials; to
10 increase the actual and apparent responsiveness of elected officials to
11 all voters; to encourage qualified candidates to run for office; and to
12 reduce the pressure on candidates to spend large amounts of time raising
13 large contributions for their campaigns.
14 The legislature finds that this article's limitations on contributions
15 further the government's interest in reducing real and apparent
16 corruption and in building trust in government. The legislature finds
17 that the contribution levels are sufficiently high to allow candidates
18 and political parties to raise enough money to run effective campaigns.
19 In addition, the legislature finds that graduated contribution limita-
20 tions reflect the campaign needs of candidates for different offices.
21 The legislature also finds that the system of voluntary public financ-
22 ing furthers the government's interest in encouraging qualified candi-
23 dates to run for office. The legislature finds that the voluntary public
24 funding program will enlarge the public debate and increase partic-
25 ipation in the democratic process. In addition, the legislature finds
26 that the voluntary expenditure limitations and matching fund program
27 reduce the burden on candidates and officeholders to spend time raising
28 money for their campaigns.

1 Therefore, the legislature declares that these amendments further the
2 important and valid government interests of reducing voter apathy,
3 building confidence in government, reducing the reality and appearance
4 of corruption, and encouraging qualified candidates to run for office,
5 while reducing candidates' and officeholders' fundraising burdens.
6 § 14-200-a. Definitions. For the purposes of this title, the follow-
7 ing terms shall have the following meanings:
8 1. The term "authorized committee" shall mean the single committee
9 designated by a candidate pursuant to section 14-201 of this title to
10 receive contributions and make expenditures in support of the candi-
11 date's campaign.
12 2. The term "board" shall mean the state board of elections.
13 3. The term "contribution" shall have the same meaning as appears in
14 subdivision nine of section 14-100 of this article.
15 4. The term "contributor" shall mean any person or entity that makes a
16 contribution.
17 5. The term "covered election" shall mean any primary, general, or
18 special election for nomination for election, or election, to the office
19 of governor, lieutenant governor, attorney general, state comptroller,
20 state senator, or member of the assembly.
21 6. The term "election cycle" shall mean the two year period starting
22 the day after the last general election for candidates for the state
23 legislature and shall mean the four year period starting after the day
24 after the last general election for candidates for statewide office.
25 7. The term "expenditure" shall mean any gift, subscription, advance,
26 payment, or deposit of money or anything of value, or a contract to make
27 any gift, subscription, payment, or deposit of money or anything of
28 value, made in connection with the nomination for election, or election,

1 of any candidate. Expenditures made by contract are deemed made when
2 such funds are obligated.
3 8. The term "fund" shall mean the New York state campaign finance
4 fund.
5 9. The term "immediate family" shall mean a spouse, child, sibling or
6 parent.
7 10. The term "intermediary" shall mean an individual, corporation,
8 partnership, political committee, employee organization or other entity
9 which bundles, causes to be delivered or otherwise delivers any contrib-
10 ution from another person or entity to a candidate or authorized commit-
11 tee, other than in the regular course of business as a postal, delivery
12 or messenger service. Provided, however, that an "intermediary" shall
13 not include spouses, domestic partners, parents, children or siblings of
14 the person making such contribution or a staff member or volunteer of
15 the campaign identified in writing to the state board of elections. Here
16 "causes to be delivered" shall include providing postage, envelopes or
17 other shipping materials for the use of delivering the contribution to
18 the ultimate recipient.
19 11. The term "item with significant intrinsic and enduring value"
20 shall mean any item, including tickets to an event, that are valued at
21 twenty-five dollars or more.
22 12. (a) The term "matchable contribution" shall mean a contribution,
23 contributions or a portion of a contribution or contributions for any
24 covered elections held in the same election cycle, made by a natural
25 person who is a United States citizen and resident in the state of New
26 York to a participating candidate, that has been reported in full to the
27 board in accordance with sections 14-102 and 14-104 of this article by
28 the candidate's authorized committee and has been contributed on or

1 before the day of the applicable primary, general, runoff or special
2 election. Any contribution, contributions, or a portion of a contrib-
3 ution determined to be invalid for matching funds by the board may not
4 be treated as a matchable contribution for any purpose.
5 (b) The following contributions are not matchable:
6 (i) loans;
7 (ii) in-kind contributions of property, goods, or services;
8 (iii) contributions in the form of the purchase price paid for an item
9 with significant intrinsic and enduring value;
10 (iv) transfers from a party or constituted committee;
11 (v) anonymous contributions or contributions whose source is not item-
12 ized as required by section 14-201 of this title;
13 (vi) contributions gathered during a previous election cycle;
14 (vii) illegal contributions;
15 (viii) contributions from minors;
16 (ix) contributions from vendors for campaigns; and
17 (x) contributions from lobbyists registered pursuant to subdivision
18 (a) of section one-c of the legislative law.
19 13. The term "nonparticipating candidate" shall mean a candidate for a
20 covered election who fails to file a written certification in the form
21 of an affidavit under section 14-204 of this title by the applicable
22 deadline.
23 14. The term "participating candidate" shall mean any candidate for
24 nomination for election, or election, to the office of governor, lieu-
25 tenant governor, attorney general, State comptroller, state senator, or
26 member of the assembly who files a written certification in the form of
27 an affidavit pursuant to section 14-204 of this title.

1 15. The term "post-election period" shall mean the five years follow-
2 ing an election when a candidate is subject to an audit.
3 16. The term "qualified campaign expenditure" shall mean an expendi-
4 ture for which public matching funds may be used.
5 17. The term "threshold for eligibility" shall mean the amount of
6 matchable contributions that a candidate's authorized committee must
7 receive in total in order for such candidate to qualify for voluntary
8 public financing under this title.
9 18. The term "transfer" shall mean any exchange of funds between a
10 party or constituted committee and a candidate or any of his or her
11 authorized committees.
12 § 14-201. Reporting requirements. 1. Political committee registra-
13 tion. Political committees as defined pursuant to subdivision one of
14 section 14-100 of this article shall register with the board before
15 making any contribution or expenditure. The board shall publish a cumu-
16 lative list of political committees that have registered, including on
17 its webpage, and regularly update it.
18 2. Only one authorized committee per candidate per elective office
19 sought. Before receiving any contribution or making any expenditure for
20 a covered election, each candidate shall notify the board as to the
21 existence of his or her authorized committee that has been approved by
22 such candidate. Each candidate shall have one and only one authorized
23 committee per elective office sought. Each authorized committee shall
24 have a treasurer and is subject to the restrictions found in section
25 14-112 of this article.
26 3. Disclosure reports. (a) Detailed reporting. In addition to each
27 authorized and political committee reporting to the board every contrib-
28 ution and loan received and every expenditure made in the time and

1 manner prescribed by sections 14-102, 14-104 and 14-108 of this article,
2 each authorized and political committee shall also submit disclosure
3 reports on March fifteenth and May fifteenth of each election year
4 reporting to the board every contribution and loan received and every
5 expenditure made. For contributors who make contributions of five
6 hundred dollars or more, each authorized and political committee shall
7 report to the board the occupation, and business address of each
8 contributor, lender, and intermediary. The board shall revise, prepare
9 and post forms on its webpage that facilitate compliance with the
10 requirements of this section.
11 (b) Board review. The board's public financing unit shall review each
12 disclosure report filed and shall inform authorized and political
13 committees of relevant questions the unit has concerning: (i) compliance
14 with requirements of this title and of the rules issued by the board;
15 and (ii) qualification for receiving public matching funds pursuant to
16 this title. In the course of this review, the unit shall give authorized
17 and political committees an opportunity to respond to and correct poten-
18 tial violations and give candidates an opportunity to address questions
19 the unit has concerning their matchable contribution claims or other
20 issues concerning eligibility for receiving public matching funds pursu-
21 ant to this title. Nothing in this paragraph shall preclude the unit or
22 the board from subsequently reviewing such disclosure reports and taking
23 any action otherwise authorized under this title.
24 (c) Itemization. Contributions that are not itemized in reports filed
25 with the board shall not be matchable.
26 (d) Option to file more frequently. Participating candidates may file
27 reports of contributions as frequently as once a week on Fridays so that
28 their matching funds may be paid at the earliest allowable date.

1 § 14-202. Contributions. Recipients of funds pursuant to this title
2 shall be subject to the applicable contribution limits set forth in
3 section 14-114 of this article.
4 § 14-203. Proof of compliance. Authorized and political committees
5 shall maintain such records of receipts and expenditures for a covered
6 election as required by the board. Authorized and political committees
7 shall obtain and furnish to the public financing unit any information it
8 may request relating to financial transactions or contributions and
9 furnish such documentation and other proof of compliance with this title
10 as may be requested. In compliance with section 14-108 of this article,
11 authorized and political committees shall maintain copies of such
12 records for a period of five years.
13 § 14-204. Eligibility. 1. Terms and conditions. To be eligible for
14 voluntary public financing under this title, a candidate must:
15 (a) be a candidate in a covered election;
16 (b) meet all the requirements of law to have his or her name on the
17 ballot;
18 (c) in the case of a covered general or special election, be opposed
19 by another candidate on the ballot who is not a write-in candidate;
20 (d) submit a certification in the form of an affidavit, in such form
21 as may be prescribed by the board, that sets forth his or her acceptance
22 of and agreement to comply with the terms and conditions for the
23 provision of such funds in each covered election and such certification
24 shall be submitted at least four months before the election pursuant to
25 a schedule promulgated by the public financing unit of the board;
26 (e) be certified as a participating candidate by the board;
27 (f) not make, and not have made, expenditures from or use his or her
28 personal funds or property or the personal funds or property jointly

1 held with his or her spouse, or unemancipated children in connection
2 with his or her nomination election or election to a covered office
3 except as a contribution to his or her authorized committee in an amount
4 that exceeds three times the applicable contribution limit from an indi-
5 vidual contributor to candidates for the office that he or she is seek-
6 ing;
7 (g) meet the threshold for eligibility set forth in subdivision two of
8 this section; and
9 (h) continue to abide by all requirements during the post-election
10 period.
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 six hundred fifty thousand dollars in
14 matchable contributions including at least six thousand five hundred
15 matchable contributions comprised of sums between ten and one hundred
16 seventy-five dollars per contributor, from residents of New York state;
17 (ii) Lieutenant governor, attorney general, and comptroller, not less
18 than two hundred thousand dollars in matchable contributions including
19 at least two thousand matchable contributions comprised of sums between
20 ten and one hundred seventy-five dollars per contributor, from residents
21 of New York state;
22 (iii) State senator, not less than twenty thousand dollars in matcha-
23 ble contributions including at least two hundred matchable contributions
24 comprised of sums between ten and one hundred seventy-five dollars per
25 contributor, from residents of the district in which the seat is to be
26 filled; and
27 (iv) Member of the assembly, not less than ten thousand dollars in
28 matchable contributions including at least one hundred matchable

1 contributions comprised of sums between ten and one hundred seventy-five
2 dollars per contributor, from residents of the district in which the
3 seat is to be filled.
4 (b) Any participating candidate meeting the threshold for eligibility
5 in a primary election for one of the foregoing offices shall be deemed
6 to have met the threshold for eligibility for such office in any other
7 subsequent election held in the same calendar year.
8 § 14-205. Limits on public financing. The following limitations apply
9 to the total amounts of public funds that may be provided to a partic-
10 ipating candidate's authorized committee for an election cycle:
11 1. In any primary election, receipt of public funds by participating
12 candidates and by their participating committees shall not exceed:
13 (i) for governor, the sum of eight million dollars;
14 (ii) for lieutenant governor, comptroller or attorney general, the sum
15 of four million dollars;
16 (iii) for senator, the sum of three hundred seventy-five thousand
17 dollars;
18 (iv) for member of the assembly, the sum of one hundred seventy-five
19 thousand dollars.
20 2. In any general or special election, receipt of public funds by a
21 participating candidate's authorized committees shall not exceed the
22 following amounts:
23 Candidates for election to the office of:

| | |
|---|---|
| 24 Governor and lieutenant governor (combined) | $10,000,000 |
| 25 Attorney general | $4,000,000 |
| 26 Comptroller | $4,000,000 |
| 27 Member of senate | $375,000 |
| 28 Member of assembly | $175,000 |

1 3. No participating candidate for nomination for an office who is not
2 opposed by a candidate on the ballot in a primary election shall be
3 entitled to payment of public matching funds, except that, where there
4 is a contest in such primary election for the nomination of at least one
5 of the two political parties with the highest and second highest number
6 of enrolled members for such office, a participating candidate who is
7 unopposed in the primary election may receive public funds before the
8 primary election, for expenses incurred on or before the date of such
9 primary election, in an amount equal to up to half the sum set forth in
10 paragraph one of this section.
11 § 14-206. Payment of public matching funds. 1. Determination of eligi-
12 bility. No public matching funds shall be paid to an authorized commit-
13 tee unless the public financing unit determines that the participating
14 candidate has met the eligibility requirements of this title. Payment
15 shall not exceed the amounts specified in subdivision two of this
16 section, and shall be made only in accordance with the provisions of
17 this title. Such payment may be made only to the participating candi-
18 date's authorized committee. No public matching funds shall be used
19 except as reimbursement or payment for qualified campaign expenditures
20 actually and lawfully incurred or to repay loans used to pay qualified
21 campaign expenditures.
22 2. Calculation of payment. If the threshold for eligibility is met,
23 the participating candidate's authorized committee shall receive payment
24 for qualified campaign expenditures of six dollars of public matching
25 funds for each one dollar of matchable contributions, for the first one
26 hundred seventy-five dollars of eligible private funds per contributor,
27 obtained and reported to the board in accordance with the provisions of
28 this title. The maximum payment of public matching funds shall be limit-

1 ed to the amounts set forth in section 14-205 of this title for the
2 covered election.
3 3. Timing of payment. The public financing unit shall make any payment
4 of public matching funds to participating candidates as soon as is prac-
5 ticable. But in all cases, that unit shall verify eligibility for public
6 matching funds within four days of receiving a campaign contribution
7 report filed in compliance with section 14-104 of this article. Within
8 two days of determining that a candidate for a covered office is eligi-
9 ble for public matching funds, the unit shall pay the applicable match-
10 ing funds owed to the candidate. However, the unit shall not make any
11 payments of public money earlier than the earliest dates for making such
12 payments as provided by this title. If any of such payments would
13 require payment on a weekend or federal holiday, payment shall be made
14 on the next business day.
15 4. Electronic funds transfer. The board shall promulgate rules to
16 facilitate electronic funds transfers directly from the fund into an
17 authorized committee's bank account.
18 5. Irregularly scheduled elections. Notwithstanding any other
19 provision of this title, the board shall promulgate rules to provide for
20 the prompt issuance of public matching funds to eligible participating
21 candidates for qualified campaign expenditures in the case of any other
22 covered election held on a day different from that than originally sche-
23 duled including special elections. But in all cases, the public financ-
24 ing unit shall (a) within four days of receiving a report of contrib-
25 utions from a candidate for a covered office claiming eligibility for
26 public matching funds verify that candidate's eligibility for public
27 matching funds; and (b) within two days of determining that the candi-

1 date for a covered office is eligible for public matching funds, the
2 unit shall pay the applicable matching funds owed to the candidate.
3 § 14-207. Use of public matching funds; qualified campaign expendi-
4 tures. 1. Public matching funds provided under the provisions of this
5 title may be used only by an authorized committee for expenditures to
6 further the participating candidate's nomination for election or
7 election, including paying for debts incurred within one year prior to
8 an election to further the participating candidate's nomination for
9 election or election.
10 2. Such public matching funds may not be used for:
11 (a) an expenditure in violation of any law;
12 (b) an expenditure in excess of the fair market value of services,
13 materials, facilities or other things of value received in exchange;
14 (c) an expenditure made after the candidate has been finally disquali-
15 fied from the ballot;
16 (d) an expenditure made after the only remaining opponent of the
17 candidate has been finally disqualified from the general or special
18 election ballot;
19 (e) an expenditure made by cash payment;
20 (f) a contribution or loan or transfer made to or expenditure to
21 support another candidate or political committee or party, committee or
22 constituted committee;
23 (g) an expenditure to support or oppose a candidate for an office
24 other than that which the participating candidate seeks;
25 (h) gifts, except brochures, buttons, signs and other printed campaign
26 material;
27 (i) legal fees to defend against a criminal charge;

1 (j) payments to immediate family members of the participating candi-
2 date; or
3 (k) any expenditure made to challenge the validity of any petition of
4 designation or nomination or any certificate of nomination, acceptance,
5 authorization, declination or substitution.
6 § 14-208. Powers and duties of board. 1. Advisory opinions. The board
7 shall render advisory opinions with respect to questions arising under
8 this title upon the written request of a candidate, an officer of a
9 political committee or member of the public, or upon its own initiative.
10 The board shall promulgate rules regarding reasonable times to respond
11 to such requests. The board shall make public the questions of interpre-
12 tation for which advisory opinions will be considered by the board and
13 its advisory opinions, including by publication on its webpage with
14 identifying information redacted as the board determines to be appropri-
15 ate.
16 2. Public information and candidate education. The board shall develop
17 a program for informing candidates and the public as to the purpose and
18 effect of the provisions of this title, including by means of a webpage.
19 The board shall prepare in plain language and make available educational
20 materials, including compliance manuals and summaries and explanations
21 of the purposes and provisions of this title. The board shall prepare or
22 have prepared and make available materials, including, to the extent
23 feasible, computer software, to facilitate the task of compliance with
24 the disclosure and record-keeping requirements of this title.
25 3. Rules and regulations. The board shall have the authority to
26 promulgate such rules and regulations and provide such forms as it deems
27 necessary for the administration of this title.

1 4. Database. The board shall develop an interactive, searchable
2 computer database that shall contain all information necessary for the
3 proper administration of this Title including information on contrib-
4 utions to and expenditures by candidates and their authorized committee,
5 independent expenditures in support or opposition of candidates for
6 covered offices, and distributions of moneys from the fund. Such data-
7 base shall be accessible to the public on the board's webpage.
8 5. The board's public financing unit shall work with the enforcement
9 unit to enforce this section.
10 § 14-209. Audits and repayments. 1. Audits. The board shall audit and
11 examine all matters relating to the proper administration of this title
12 and shall complete such audit no later than two years after the election
13 in question. Every candidate who receives public funds under this title
14 shall be audited by the board. The cost of complying with a post-elec-
15 tion audit shall be borne by the candidate's authorized committee using
16 public funds, private funds or any combination of such funds. Candi-
17 dates who run in both a primary and general election must maintain a
18 reserve of three percent of the public funds received to comply with the
19 post-election audit. The board shall issue to each campaign audited a
20 final audit report that details its findings.
21 2. Repayments. (a) If the board determines that any portion of the
22 payment made to a candidate's authorized committee from the fund was in
23 excess of the aggregate amount of payments that such candidate was
24 eligible to receive pursuant to this title, it shall notify such commit-
25 tee and such committee shall pay to the board an amount equal to the
26 amount of excess payments. Provided, however, that if the erroneous
27 payment was the result of an error by the board, then the erroneous
28 payment will be deducted from any future payment, if any, and if no

1 payment is to be made then neither the candidate nor the committee shall
2 be liable to repay the excess amount to the board. The candidate, the
3 treasurer and the candidate's authorized committee are jointly and
4 severably liable for any repayments to the board.
5 (b) If the board determines that any portion of the payment made to a
6 candidate's authorized committee from the fund was used for purposes
7 other than qualified campaign expenditures and such expenditures were
8 not approved by the board, it shall notify such committee of the amount
9 so disqualified and such committee shall pay to the board an amount
10 equal to such disqualified amount. The candidate, the treasurer and the
11 candidate's authorized committee are jointly and severably liable for
12 any repayments to the board.
13 (c) If the total of payments from the fund received by a participating
14 candidate and his or her authorized committee exceed the total campaign
15 expenditures of such candidate and authorized committee for all covered
16 elections held in the same calendar year or for a special election to
17 fill a vacancy, such candidate and committee shall use such excess funds
18 to reimburse the fund for payments received by such authorized committee
19 from the fund during such calendar year or for such special election.
20 Participating candidates shall pay to the board unspent public campaign
21 funds from an election not later than twenty-seven days after all
22 liabilities for the election have been paid and in any event, not later
23 than the day on which the board issues its final audit report for the
24 participating candidate's authorized committee; provided, however, that
25 all unspent public campaign funds for a participating candidate shall be
26 immediately due and payable to the board upon a determination by the
27 board that the participant has delayed the post-election audit. A
28 participating candidate may make post-election expenditures with public

1 funds only for routine activities involving nominal cost associated with
2 winding up a campaign and responding to the post-election audit. Noth-
3 ing in this title shall be construed to prevent a candidate or his or
4 her authorized committee from using campaign contributions received from
5 private contributors for otherwise lawful expenditures.
6 3. The board shall promulgate regulations for the certification of the
7 amount of funds payable by the comptroller, from the fund established
8 pursuant to section ninety-two-t of the state finance law, to a partic-
9 ipating candidate that has qualified to receive such payment. These
10 regulations shall include the promulgation and distribution of forms on
11 which contributions and expenditures are to be reported, the periods
12 during which such reports must be filed and the verification required.
13 The board shall institute procedures which will make possible payment by
14 the fund within four business days after receipt of the required forms
15 and verifications.
16 § 14-210. Enforcement and penalties for violations and other
17 proceedings. 1. Civil penalties. Violations of any provision of this
18 title or rule promulgated pursuant to this title shall be subject to a
19 civil penalty in an amount not in excess of fifteen thousand dollars.
20 2. Notice of violation and opportunity to contest. The board shall:
21 (a) determine whether a violation of any provision of this title or
22 rule promulgated hereunder has been committed;
23 (b) give written notice and the opportunity to contest before an inde-
24 pendent hearing officer to each person or entity it has reason to
25 believe has committed a violation; and
26 (c) if appropriate, assess penalties for violations, following such
27 notice and opportunity to contest.

1 3. Criminal conduct. Any person who knowingly and willfully furnishes
2 or submits false statements or information to the board in connection
3 with its administration of this title, shall be guilty of a misdemeanor
4 in addition to any other penalty as may be imposed under this chapter or
5 pursuant to any other law. The board shall seek to recover any public
6 matching funds obtained as a result of such criminal conduct.
7 4. Proceedings as to public financing. (a) The determination of eligi-
8 bility pursuant to this title and any question or issue relating to
9 payments for campaign expenditures pursuant to this title may be
10 contested in a proceeding instituted in the Supreme court, Albany coun-
11 ty, by any aggrieved candidate.
12 (b) A proceeding with respect to such a determination of eligibility
13 or payment for qualified campaign expenditures pursuant to this chapter
14 shall be instituted within fourteen days after such determination was
15 made. The board shall be made a party to any such proceeding.
16 (c) Upon the board's failure to receive the amount due from a partic-
17 ipating candidate or such candidate's authorized committee after the
18 issuance of written notice of such amount due, as required by this
19 title, the board is authorized to institute a special proceeding or
20 civil action in Supreme Court, Albany county, to obtain a judgment for
21 any amounts determined to be payable to the board as a result of an
22 examination and audit made pursuant to this title or to obtain such
23 amounts directly from the candidate or authorized committee after a
24 hearing at the state board of elections.
25 (d) The board is authorized to institute a special proceeding or civil
26 action in Supreme Court, Albany county, to obtain a judgment for civil
27 penalties determined to be payable to the board pursuant to this title

1 or to impose such penalty directly after a hearing at the state board of
2 elections.
3 § 14-211. Reports. The board shall review and evaluate the effect of
4 this title upon the conduct of election campaigns and shall submit a
5 report to the legislature on or before January first, two thousand nine-
6 teen, and every third year thereafter, and at any other time upon the
7 request of the governor and at such other times as the board deems
8 appropriate. These reports shall include:
9 1. a list of the participating and nonparticipating candidates in
10 covered elections and the votes received by each candidate in those
11 elections;
12 2. the amount of contributions and loans received, and expenditures
13 made, on behalf of these candidates;
14 3. the amount of public matching funds each participating candidate
15 received, spent, and repaid pursuant to this title;
16 4. analysis of the effect of this title on political campaigns,
17 including its effect on the sources and amounts of private financing,
18 the level of campaign expenditures, voter participation, the number of
19 candidates, the candidates' ability to campaign effectively for public
20 office, and the diversity of candidates seeking and elected to office;
21 and
22 5. recommendations for amendments to this title, including changes in
23 contribution limits, thresholds for eligibility, and any other features
24 of the system.
25 § 14-212. Debates for candidates for statewide office. The board
26 shall promulgate regulations to facilitate debates among participating
27 candidates who seek election to statewide office. Participating candi-
28 dates are required to participate in one debate before each election for

1 which the candidate receives public funds, unless the participating
2 candidate is running unopposed. Nonparticipating candidates may partic-
3 ipate in such debates.
4 § 14-213. Severability. If any clause, sentence, subdivision, para-
5 graph, section or part of this title be adjudged by any court of compe-
6 tent jurisdiction to be invalid, such judgment shall not affect, impair
7 or invalidate the remainder thereof, but shall be confined in its opera-
8 tion to the clause, sentence, subdivision, paragraph, section or part
9 thereof directly involved in the controversy in which such judgment
10 shall have been rendered.
11 § 7-a. The general business law is amended by adding a new section
12 359-gg to read as follows:
13 § 359-gg. Additional surcharge. In addition to any penalty authorized
14 by section three hundred fifty-nine-g of this article or any damages or
15 other compensation recoverable including, but not limited to, any
16 settlement authorized by section sixty-three or sixty-three-c of the
17 executive law, there shall be assessed thereon an additional surcharge
18 in the amount of ten percent of the total amount of such penalty,
19 damages or settlement. Such surcharge shall be deposited in the New York
20 state campaign finance fund established by section ninety-two-t of the
21 state finance law.
22 § 8. The state finance law is amended by adding a new section 92-t to
23 read as follows:
24 § 92-t. New York state campaign finance fund. 1. There is hereby
25 established in the joint custody of the state comptroller and the
26 commissioner of taxation and finance a fund to be known as the New York
27 state campaign finance fund.

1 2. Such fund shall consist of all revenues received from the New York
2 state campaign finance fund check-off pursuant to subsection (f) of
3 section six hundred fifty-eight of the tax law, from the surcharge
4 imposed pursuant to section three hundred fifty-nine-gg of the general
5 business law, from the abandoned property fund pursuant to section nine-
6 ty-five of this article, from the general fund, and from all other
7 moneys credited or transferred thereto from any other fund or source
8 pursuant to law. Such fund shall also receive contributions from
9 private individuals, organizations, or other persons to fulfill the
10 purposes of the public financing system.
11 3. Moneys of the fund, following appropriation by the legislature, may
12 be expended for the purposes of making payments to candidates pursuant
13 to title II of article fourteen of the election law. Moneys shall be
14 paid out of the fund by the state comptroller on vouchers certified or
15 approved by the state board of elections, or its duly designated repre-
16 sentative, in the manner prescribed by law, not more than four working
17 days after such voucher is received by the state comptroller.
18 4. Notwithstanding any provision of law to the contrary, if, in any
19 state fiscal year, the state campaign finance fund lacks the amount of
20 money to pay all claims vouchered by eligible candidates and certified
21 or approved by the state board of elections, any such deficiency shall
22 be paid by the state comptroller, from funds deposited in the general
23 fund of the state not more than four working days after such voucher is
24 received by the state comptroller.
25 5. Commencing in two thousand sixteen, if the surplus in the fund on
26 April first of the year after a year in which a governor is elected
27 exceeds twenty-five percent of the disbursements from the fund over the

1 previous four years, the excess shall revert to the general fund of the
2 state.
3 6. No public funds shall be paid to any participating candidates in a
4 primary election any earlier than thirty days after designating
5 petitions, independent nominating petitions, or certificates of nomi-
6 nation have been filed and not less than forty-five days before such
7 election.
8 7. No public funds shall be paid to any participating candidates in a
9 general election any earlier than the day after the day of the primary
10 election held to nominate candidates for such election.
11 8. No public funds shall be paid to any participating candidates in a
12 special election any earlier than the day after the last day to file
13 certificates of party nomination for such special election.
14 9. No public funds shall be paid to any participating candidate who
15 has been disqualified or whose designating petitions have been declared
16 invalid by the appropriate board of elections or a court of competent
17 jurisdiction until and unless such finding is reversed by a higher court
18 in a final judgment. No payment from the fund in the possession of such
19 a candidate or such candidate's participating committee on the date of
20 such disqualification or invalidation may thereafter be expended for any
21 purpose except the payment of liabilities incurred before such date.
22 All such moneys shall be repaid to the fund.
23 § 8-a. Section 95 of the state finance law is amended by adding a new
24 subdivision 5 to read as follows:
25 5. Notwithstanding any provision of this section authorizing the
26 transfer of any moneys in the abandoned property fund to the general
27 fund, in January of each year in which a state general election is to be
28 held pursuant to law, or at least six weeks prior to any state special

1 election, the comptroller, upon warrant or voucher by the chairman of
2 the campaign finance board or his or her duly appointed representative,
3 shall transfer moneys of the abandoned property fund into the campaign
4 finance fund pursuant to section ninety-nine-v of this article. On March
5 thirty-first of the year following such general election year, such
6 chairman shall transfer to the general fund any surplus moneys of the
7 campaign finance fund as of such date.

8 § 9. Section 658 of the tax law is amended by adding a new subsection
9 (f) to read as follows:

10 (f) New York state campaign finance fund check-off. (1) For each taxa-
11 ble year beginning on and after January first, two thousand fourteen,
12 every individual whose New York state income tax liability for the taxa-
13 ble year for which the return is filed is ten dollars or more may desig-
14 nate on such return that ten dollars be paid into the New York state
15 campaign finance fund established by section ninety-two-t of the state
16 finance law. Where a husband and wife file a joint return and have a New
17 York state income tax liability for the taxable year for which the
18 return is filed is twenty dollars or more, or file separate returns on a
19 single form, each such taxpayer may make separate designations on such
20 return of ten dollars to be paid into the New York state campaign
21 finance fund.

22 (2) The commissioner shall transfer to the New York state campaign
23 finance fund, established pursuant to section ninety-two-t of the state
24 finance law, an amount equal to ten dollars multiplied by the number of
25 designations.

26 (3) For purposes of this subsection, the income tax liability of an
27 individual for any taxable year is the amount of tax imposed under this

1 article reduced by the sum of the credits (as shown in his or her
2 return) allowable under this article.
3 (4) The department shall include a place on every personal income tax
4 return form to be filed by an individual for a tax year beginning on or
5 after January first, two thousand thirteen, for such taxpayer to make
6 the designations described in paragraph one of this subsection. Such
7 return form shall contain a concise explanation of the purpose of such
8 optional designations.
9 § 10. Severability. If any clause, sentence, subdivision, paragraph,
10 section or part of title II of article 14 of the election law, as added
11 by section seven of this act be adjudged by any court of competent
12 jurisdiction to be invalid, such judgment shall not affect, impair or
13 invalidate the remainder thereof, but shall be confined in its operation
14 to the clause, sentence, subdivision, paragraph, section or part thereof
15 directly involved in the controversy in which such judgment shall have
16 been rendered.
17 § 11. This act shall take effect January 1, 2015.
18 § 3. Severability. If any clause, sentence, subdivision, paragraph,
19 section, subpart or part of this act be adjudged by any court of compe-
20 tent jurisdiction to be invalid, such judgment shall not affect, impair
21 or invalidate the remainder thereof, but shall be confined in its opera-
22 tion to the clause, sentence, subdivision, paragraph, section, subpart
23 or part thereof directly involved in the controversy in which such judg-
24 ment shall have been rendered. It is hereby declared to be the intent of
25 the legislature that this act would have been enacted even if such
26 invalid provisions had not been included herein.

1 § 4. This act shall take effect immediately, provided, however, that
2 the applicable effective dates of Parts A through B of this act shall be
3 as specifically set forth in the last section of such Parts.