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
s07 Felder
s06 Kennedy
s25 Montgomery
s23 Savino
s15 Addabbo
s02 Flanagan
s34 Klein
s54 Nocito
s20 Sorensen
s11 Avella
s08 Panfili
s38 Koecher
s55 O'Brien
s51 Seward
s40 Ball
s09 Giavanni
s34 Lanza
s38 O'Mara
s09 Siskos
s42 Bonacic
s12 Gianaris
s39 Larkin
s21 Parker
s34 Smith
s46 Boyle
s41 Gipson
s37 Latimer
s13 Peralta
s26 Squadron
s44 Breisin
s22 Golden
s01 LaValle
s30 Pefkin
s16 Stavisky
s28 Carlucci
s07 Griffio
s52 Libous
s61 Ranzenhofer
s35 Stewart-
s50 DeFrancisco
s40 Grieco
s45 Little
s48 Richrie
s57 Cousins
s32 Díaz
s06 Hannon
s10 Massicillo
s33 Rivera
s46 Tucciarone
s18 Dillon
s36 Hassell-Young
s54 Marchione
s56 Roach
s53 Valesky
s31 Espinal
Thompson
s07 Martin
s20 Sampson
s37 Young
s49 Farley
s27 Hoyman
s62 Mazzei
s10 Sanders
s03 Zeldin

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 Ditroino
a135 Joehl
a133 Nojahr
a140 Schimmeltenger
a092 Abbate
a147 DiPietro
a113 Jordan
a037 Nolan
a087 Sepulveda
a084 Arroyo
a115 Diprey
a094 Katz
a130 Kees
a065 Silver
a035 Aubry
a040 English
a074 Kavastagh
a069 O'Donnell
a027 Simonowitz
a120 Borelli
a054 Espinal
a142 Kearns
a051 Ortiz
a036 Simotas
a106 Brust
a109 Favia
a076 Kellner
a091 Otis
a104 Skartados
a060 Barron
a071 Furell
a040 Kim
a132 Pellicano
a059 Skoufis
a082 Benedetto
a126 Fisch
a131 Kolb
a088 Paulitis
a022 Solages
a117 Blankenbush
a008 Fitzpatrick
a105 LaFleur
a141 Peoples-DeStefano
a062 Borelli
a124 Friend
a013 Lavine
Stokes
a110 Steck
a055 Boyland
a143 Gelobtaszak
a050 Lentol
a038 Perry
a079 Stevenson
a026 Brooks
a095 Galef
a125 Liblin
a089 Pearl
a127 Stirpe
a044 Brennan
a137 Quast
a102 Lopresti, P.
a073 Quart
a011 Sweeney
a119 Brawdy
a007 Gerardin
a123 Lapade
a069 Ra
a112 Tedisco
a138 Brosnan
a077 Gibson
a109 Lupiscini
a098 Rabbitt
a101 Tenney
a566 Breck-Kenny
a148 Giglio
a121 Magee
a012 Reilly
a010 Thiele
a053 Browndow
a087 Gjoren
a129 Maguire
a066 Ramos
a061 Tineo
a118 Butler
a066 Glick
a059 Maior
a124 Reilly
a001 Titus
a103 Cahill
a023 Goldfeder
a124 Mallotakis
a078 Rivera
a145 Walter
a043 Cama
a150 Goodell
a303 Markay
a128 Roberts
a041 Weinstien
a145 Ceretta
a075 Gottfried
a040 Mason
a056 Robinson
a020 Weinstein
a033 Clark
a005 Gray
a108 McDonough
a068 Rodriguez
a024 Weprin
a047 Colton
a109 Gunther
a104 McGonagle
a072 Rella
a070 Wright
a032 Cook
a139 Hawley
a017 McKevitt
a067 Rosenblad
a056 Zelikowski
a144 Corwin
a083 Heathie
a107 McGraw
a025 Rountree
a002 Crespo
a003 Hennessey
a038 Miller
a116 Russell
a053 Crouch
a028 Hevesi
a032 Millman
a149 Ryan
a066 Curran
a048 Ikeda
a015 Montesano
a099 Salvador
a063 Currie
a018 Hooper
a136 Morell
a111 Sestak<br>
a045 Cymbrowitz
a042 Jacobo
a057 Mosley
a039 Sheehan
a034 Den Dekker
a097 Jaffee
a039 Meyers
a016 Schiavello

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:
Section 1. This act enacts into law major components of legislation which are necessary to enact campaign finance reform. Each component is wholly contained within a Part identified as Parts A through B. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found.

Section four of this act sets forth the general effective date of this act.

§ 2. This act shall be known and may be cited as the "campaign finance reform act of 2013".

PART A

Section 1. Section 14-100 of the election law is amended by adding four new subdivisions 12, 13, 14 and 15 to read as follows:

12. "clearly identified candidate" means that:
(a) the name of the candidate involved appears;
(b) a photograph or drawing of the candidate appears; or
(c) the identity of the candidate is apparent by unambiguous reference.

13. "general public audience" means an audience composed of members of the public, including a targeted subgroup of members of the public; provided, however, it does not mean an audience solely comprised of members, retirees and staff of a labor organization or their immediate family members or an audience solely comprised of employees of a corpo-
ration, unincorporated business entity or members of a business, trade
or professional association or organization.

14. "labor organization" means any organization of any kind which
exists for the purpose, in whole or in part, of representing employees
employed within the state of New York in dealing with employers or
employer organizations or with a state government, or any political or
civil subdivision or other agency thereof, concerning terms and condi-
tions of employment, grievances, labor disputes, or other matters inci-
dental to the employment relationship. For the purposes of this article,
each local, parent national or parent international organization of a
statewide labor organization, and each statewide federation receiving
dues from subsidiary labor organizations, shall be considered a separate
labor organization.

15. "intermediary" means an individual, corporation, partnership,
political committee, labor organization, or other entity which, other
than in the regular course of business as a postal, delivery, or messen-
ger service, delivers any contribution from another person or entity to
a candidate or an authorized committee.

"Intermediary" shall not include spouses, parents, children, or
siblings of the person making such contribution.

§ 2. Subdivision 1 of section 14-102 of the election law, as amended
by chapter 8 and as redesignated by chapter 9 of the laws of 1978, is
amended to read as follows:

1. The treasurer of every political committee which, or any officer,
member or agent of any such committee who, in connection with any
election, receives or expends any money or other valuable thing or
incurs any liability to pay money or its equivalent shall file state-
ments sworn, or subscribed and bearing a form notice that false state-
ments made therein are punishable as a class A misdemeanor pursuant to
section 210.45 of the penal law, at the times prescribed by this [art-
cle] title setting forth all the receipts, contributions to and the
expenditures by and liabilities of the committee, and of its officers,
members and agents in its behalf. Such statements shall include the
dollar amount of any receipt, contribution or transfer, or the fair
market value of any receipt, contribution or transfer, which is other
than of money, the name and address of the transferor, contributor,
intermediary, or person from whom received, and if the transferor,
contributor, intermediary, or person is a political committee; the name
of and the political unit represented by the committee, the date of its
receipt, the dollar amount of every expenditure, the name and address of
the person to whom it was made or the name of and the political unit
represented by the committee to which it was made and the date thereof,
and shall state clearly the purpose of such expenditure. An intermediary
need not be reported for a contribution that was collected from a
contributor in connection with a party or other candidate-related event
held at the residence of the person delivering the contribution, unless
the expenses of such event at such residence for such candidate exceed
five hundred dollars or the aggregate contributions received from that
contributor at such event exceed five hundred dollars. Any statement
reporting a loan shall have attached to it a copy of the evidence of
indebtedness. Expenditures in sums under fifty dollars need not be
specifically accounted for by separate items in said statements, and
receipts and contributions aggregating not more than ninety-nine
dollars, from any one contributor need not be specifically accounted for
by separate items in said statements, provided however, that such
expenditures, receipts and contributions shall be subject to the other
provisions of section 14-118 of this [article] title.
§ 3. Section 14-106 of the election law, as amended by section 2 of
part E of chapter 399 of the laws of 2011, is amended to read as
follows:
§ 14-106. Political communication. The statements required to be filed
under the provisions of this article next succeeding a primary, general
or special election shall be accompanied by a copy of all broadcast,
cable or satellite schedules and scripts, internet, print and other
types of advertisements, pamphlets, circulars, flyers, brochures,
letterheads and other printed matter purchased or produced, and repro-
ductions of statements or information published to one thousand or more
members of a general public audience by computer or other electronic
device including but not limited to electronic mail or text message,
purchased in connection with such election by or under the authority of
the person filing the statement or the committee or the person on whose
behalf it is filed, as the case may be. Such copies, schedules and
scripts shall be preserved by the officer with whom or the board with
which it is required to be filed for a period of one year from the date
of filing thereof.
§ 4. The election law is amended by adding a new section 14-107 to
read as follows:
§ 14-107. Independent expenditure reporting. 1. For purposes of this
article:
(a) "Independent expenditure" means an expenditure made by a person
for an audio or video communication via broadcast, cable or satellite or
a written communication to a general public audience via advertisements,
pamphlets, circulars, flyers, brochures, letterheads or other printed
matter and statements or information conveyed to one thousand or more
members of a general public audience which: (i) unambiguously refers to
and advocates for or against a clearly identified candidate or expressly
advocates the success or defeat of a ballot proposal, and (ii) such
candidate, the candidate's political committee or its agents, or a poli-
tical committee formed to promote the success or defeat of a ballot
proposal or its agents, did not authorize, request, suggest, foster or
cooperate in any such communication. For the purposes of this defi-
nition, a communication advocates for or against a candidate when it (i)
irrespective of when such communication is made, contains words such as
"vote," "oppose," "support," "elect," "defeat," or "reject," which call
for the election or defeat of the clearly identified candidate, or (ii)
within one year of the election but more than sixty days before a gener-
al or special election for the office sought by the candidate or thirty
days before a primary election, could only be interpreted by a reason-
able person as advocating for the election or defeat of the clearly
identified candidate in such election based upon unequivocal, unambig-
uous terms of support or opposition, or (iii) within sixty days prior to
a general or special election for the office sought by the candidate or
thirty days before a primary election, includes or references a clearly
identified candidate.

(b) Independent expenditures do not include expenditures in connection
with:

(i) a written news story, commentary, or editorial or a news story,
commentary, or editorial distributed through the facilities of any
broadcasting station, cable or satellite unless such publication or
facilities are owned or controlled by any political party, political
committee or candidate; or
(ii) a communication that constitutes a candidate debate or forum; or

(iii) internal communication by members to other members of a membership organization, for the purpose of supporting or opposing a candidate or candidates for elective office, provided such expenditures are not used for the costs of campaign material or communications used in connection with broadcasting, telecasting, newspapers, magazines, or other periodical publication, billboards, or similar types of general public communications; or

(iv) a communication published on the Internet, unless the communication is a paid advertisement.

(c) For purposes of this section, the term "person" shall mean person, group of persons, corporation, unincorporated business entity, labor organization or business, trade or professional association or organization, or political committee.

2. Whenever any person makes an independent expenditure that costs more than one thousand dollars in the aggregate, such communication shall clearly state the name of the person who paid for, or otherwise published or distributed the communication and state, with respect to communications regarding candidates, that the communication was not expressly authorized or requested by any candidate, or by any candidate's political committee or any of its agents.

3. (a) Any person who makes any independent expenditure in an upcoming calendar year shall first register with the state board of elections as a political committee in conformance with this article.

(b) Any person who is registered pursuant to paragraph (a) of this subdivision shall report independent expenditures over one thousand dollars to the state board of elections on a statement in the form set
forth in subdivision four of this section and at times set forth in this
subdivision.

(c) Any contribution over one thousand dollars made to any person who
has registered with the state board of elections pursuant to paragraph
(a) of this subdivision prior to thirty days before any primary, gener-
al, or special election shall be disclosed by such person to the state
board of elections electronically within forty-eight hours of receipt.

(d) Any contribution over one thousand dollars made to any person who
has registered with the state board of elections pursuant to paragraph
(a) of this subdivision within thirty days before any primary, general,
or special election shall be disclosed by such person to the state board
of elections electronically within twenty-four hours of receipt.

(e) A knowing and willful violation of the provisions of this subdivi-
sion shall subject the person to a civil penalty equal to five thousand
dollars or the cost of the communication, whichever is greater, in a
special proceeding or civil action brought by the board or imposed
directly by the board of elections.

4. Each such statement in subdivision three of this section shall
include, in addition to any other information required by law:

(a) the name, address, occupation and employer of the person making
the statement;

(b) the name, address, occupation and employer of the person making
the independent expenditure;

(c) the name, address, occupation and employer of any person providing
a contribution, gift, loan, advance or deposit of one thousand dollars
or more for the independent expenditure, or the provision of services
for the same, and the date it was given; provided, however, the name and
address of a member of a labor organization is not required for a
contribution, gift, loan, advance or deposit to a labor organization;
and provided further that the name and address of an employee of a
corporation, unincorporated business entity or a member of a business,
trade or professional association or organization is not required for a
contribution, gift, loan, advance or deposit to such corporation, unin-
corporated business entity or business, trade or professional associ-
ation or organization respectively:

(d) the dollar amount paid for each independent expenditure, the name
and address of the person or entity receiving the payment, the date the
payment was made and a description of the independent expenditure; and
(e) the election to which the independent expenditure pertains and the
name of the clearly identified candidate or the ballot proposal refer-
enced.

5. A copy of all political communications paid for by the independent
expenditure, including but not limited to broadcast, cable or satellite
schedules and scripts, advertisements, pamphlets, circulars, flyers,
brochures, letterheads and other printed matter and statements or infor-
mation conveyed to one thousand or more members of a general public
audience by computer or other electronic devices shall be filed with the
state board of elections with the statements required by this section.

6. Every statement required to be filed pursuant to this section shall
be filed electronically with the state board of elections.

7. The state board of elections shall promulgate regulations with
respect to the statements required to be filed by this section and shall
provide forms suitable for such statements.

§ 5. Subdivision 3 of section 14-124 of the election law, as amended
by chapter 71 of the laws of 1988, is amended to read as follows:
3. The contribution and receipt limits of this article shall not apply to monies received and expenditures made by a party committee or constituted committee to maintain a permanent headquarters and staff and carry on ordinary activities which are not for the express purpose of promoting the candidacy of specific candidates, except that contributions made for such activities to a party committee or constituted committee shall be limited to twenty-five thousand dollars in the aggregate from each contributor in each year.

§ 6. Section 14-126 of the election law, as amended by section 3 of part E of chapter 399 of the laws of 2011, is amended to read as follows:

§ 14-126. Violations; penalties. 1. (a) Any person who fails to file a statement required to be filed by this article shall be subject to a civil penalty, not in excess of one thousand dollars, to be recoverable in a special proceeding or civil action to be brought by the state board of elections [or other board of elections] chief enforcement counsel pursuant to section 16-114 of this chapter or imposed directly by the state board of elections. Any person who, three or more times within a given election cycle for such term of office, fails to file a statement or statements required to be filed by this article, shall be subject to a civil penalty, not in excess of ten thousand dollars, to be recoverable as provided for in this subdivision.

(b) Fines authorized to be imposed directly by the state board of elections shall be after a hearing at which the subject person or authorized committee shall be given the opportunity to be heard. Such hearing shall be held in such manner and upon such notice as may be prescribed by the rules of the state board of elections. For purposes of conducting such hearings, the state board of elections shall be deemed
to be an agency within the meaning of article three of the state administrative procedure act and shall adopt rules governing the conduct of adjudicatory proceedings and appeals taken pursuant to a proceeding commenced under article seventy-eight of the civil practice law and rules relating to the assessment of the civil penalties authorized in this section.

(c) All payments received by the state board of elections pursuant to this section shall be retained in the appropriate accounts as designated by the division of the budget for enforcement activities by the board of elections.

2. Any person who, acting as or on behalf of a candidate or political committee, under circumstances evincing an intent to violate such law, unlawfully accepts a contribution in excess of a contribution limitation established in this article, shall be required to refund such excess amount and shall be subject to a civil penalty equal to the excess amount plus a fine of up to ten thousand dollars, to be recoverable in a special proceeding or civil action to be brought by the state board of elections chief enforcement counsel or imposed directly by the state board of elections.

3. Any person who falsely identifies or fails to identify any independent expenditure as required by subdivision two of section 14-107 of this article shall be subject to a civil penalty equal to one thousand dollars or the cost of the communication, whichever is greater, in a special proceeding or civil action brought by the state board of elections chief enforcement counsel or imposed directly by the state board of elections. For purposes of this subdivision, the term "person" shall mean a person, group of persons, corporation, unincorporated busi-
ness entity, labor organization or business, trade or professional asso-
ciation or organization or political committee.

4. Any person who knowingly and willfully fails to file a statement
required to be filed by this article within ten days after the date
provided for filing such statement or any person who knowingly and will-
fully violates any other provision of this article shall be guilty of a
misdemeanor.

[4.] 5. Any person who knowingly and willfully contributes, accepts or
aids or participates in the acceptance of a contribution in an amount
exceeding an applicable maximum specified in this article shall be guil-
ty of a class A misdemeanor.

[5.] 6. Any person who shall, acting on behalf of a candidate or poli-
tical committee, knowingly and willfully solicit, organize or coordinate
the formation of activities of one or more unauthorized committees, make
expenditures in connection with the nomination for election or election
of any candidate, or solicit any person to make any such expenditures,
for the purpose of evading the contribution limitations of this article,
shall be guilty of a class E felony.

§ 7. This act shall take effect June 1, 2014.

PART B

Section 1. The article heading of article 14 of the election law is
amended to read as follows:

Campaign Receipts and Expenditures] CAMPAIGN RECEIPTS AND EXPENDI-
TURES: PUBLIC FINANCING
§ 2. Sections 14-100 through 14-130 of article 14 of the election law are designated title I and a new title heading is added to read as follows:

CAMPAIGN RECEIPTS AND EXPENDITURES

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

15. "authorized committee" means the single political committee designated by a candidate to receive all contributions authorized by this title.

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

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

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

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

§ 4. Subdivisions 1 and 10 of section 14-114 of the election law, subdivision 1 as amended and subdivision 10 as added by chapter 79 of the laws of 1992 and paragraphs a and b of subdivision 1 as amended by chapter 659 of the laws of 1994, are amended to read as follows:

1. The following limitations apply to all contributions to candidates for election to any public office or for nomination for any such office, or for election to any party positions, and to all contributions to political committees working directly or indirectly with any candidate to aid or participate in such candidate's nomination or election, other than any contributions to any party committee or constituted committee:

a. In any election for a public office to be voted on by the voters of the entire state, or for nomination to any such office, no contributor may make a contribution to any candidate or political committee participating in the state's public campaign financing system as defined in title two of this article, and no such candidate or political committee may accept any contribution from any contributor, which is in the aggregate amount greater than: (i) in the case of any nomination to public office, the product of the total number of enrolled voters in the candidate's party in the state, excluding voters in inactive status, multiplied by $.005, but such amount shall be not [less than four thousand dollars nor] more than [twelve] six thousand dollars [as increased or decreased by the cost of living adjustment described in paragraph c of this subdivision,] and (ii) in the case of any election to [a] such public office, [twenty-five] six thousand dollars [as increased or decreased by the cost of living adjustment described in paragraph c of this subdivision]; provided however, that the maximum amount which may
be so contributed or accepted, in the aggregate, from any candidate's child, parent, grandparent, brother and sister, and the spouse of any such persons, shall not exceed in the case of any nomination to public office an amount equivalent to the product of the number of enrolled voters in the candidate's party in the state, excluding voters in inactive status, multiplied by $.025, and in the case of any election for a public office, an amount equivalent to the product of the number of registered voters in the state excluding voters in inactive status, multiplied by $.025.

b. In any other election for party position or for election to a public office or for nomination for any such office, no contributor may make a contribution to any candidate or political committee participating in the state's public campaign financing system defined in title two of this article (for those offices or positions covered by that system) and no such candidate or political committee may accept any contribution from any contributor, which is in the aggregate amount greater than: (i) in the case of any election for party position, or for nomination to public office, the product of the total number of enrolled voters in the candidate's party in the district in which he is a candidate, excluding voters in inactive status, multiplied by $.05, and (ii) in the case of any election for a public office, the product of the total number of registered voters in the district, excluding voters in inactive status, multiplied by $.05, however in the case of a nomination within the city of New York for the office of mayor, public advocate or comptroller, such amount shall be not less than four thousand dollars nor more than twelve thousand dollars as increased or decreased by the cost of living adjustment described in paragraph [c] of this subdivision; in the case of an election within the city of New York for the office of mayor,
public advocate or comptroller, twenty-five thousand dollars as increased or decreased by the cost of living adjustment described in paragraph (c) of this subdivision; in the case of a nomination or election for state senator, four thousand dollars [as increased or decreased by the cost of living adjustment described in paragraph (c) of this subdivision; in the case of an election for state senator, six thousand two hundred fifty dollars as increased or decreased by the cost of living adjustment described in paragraph (c) of this subdivision]; in the case of an election or nomination for a member of the assembly, [twenty-five hundred] two thousand dollars [as increased or decreased by the cost of living adjustment described in paragraph (c) of this subdivision; but in no event shall any such maximum exceed fifty thousand dollars or be less than one thousand dollars]; provided however, that the maximum amount which may be so contributed or accepted, in the aggregate, from any candidate's child, parent, grandparent, brother and sister, and the spouse of any such persons, shall not exceed in the case of any election for party position or nomination for public office an amount equivalent to the number of enrolled voters in the candidate's party in the district in which he is a candidate, excluding voters in inactive status, multiplied by $.25 and in the case of any election to public office, an amount equivalent to the number of registered voters in the district, excluding voters in inactive status, multiplied by $.25; or twelve hundred fifty dollars, whichever is greater, or in the case of a nomination or election of a state senator, twenty thousand dollars, whichever is greater, or in the case of a nomination or election of a member of the assembly twelve thousand five hundred dollars, whichever is greater, but in no event shall any such maximum exceed one hundred thousand dollars.
c. In any election for a public office to be voted on by the voters of the entire state, or for nomination to any such office, no contributor may make a contribution to any candidate or political committee in connection with a candidate who is not a participating candidate as defined in subdivision fourteen of section 14-200-a of this article, and no such candidate or political committee may accept any contribution from any contributor, which is in the aggregate amount greater than:

(i) in the case of any nomination to public office, the product of the total number of enrolled voters in the candidate's party in the state, excluding voters in inactive status, multiplied by $.095, but such amount shall be not less than four thousand dollars nor more than ten thousand dollars, and (ii) in the case of any election to a public office, fifteen thousand dollars; provided however, that the maximum amount which may be so contributed or accepted, in the aggregate, from any candidate's child, parent, grandparent, brother and sister, and the spouse of any such persons, shall not exceed in the case of any nomination to public office an amount equivalent to the product of the number of enrolled voters in the candidate's party in the state, excluding voters in inactive status, multiplied by $.025, and in the case of any election for a public office, an amount equivalent to the product of the number of registered voters in the state excluding voters in inactive status, multiplied by $.025.

d. In any other election for party position or for election to a public office or for nomination for any such office, no contributor may make a contribution to any candidate or political committee in connection with a candidate who is not a participating candidate as defined in subdivision fourteen of section 14-200-a of this article and no such candidate or political committee may accept any contribution
from any contributor, which is in the aggregate amount greater than: (i) in the case of any election for party position, or for nomination to public office, the product of the total number of enrolled voters in the candidate's party in the district in which he is a candidate, excluding voters in inactive status, multiplied by $0.05, and (ii) in the case of any election for a public office, the product of the total number of registered voters in the district, excluding voters in inactive status, multiplied by $0.05, however in the case of a nomination within the city of New York for the office of mayor, public advocate or comptroller, such amount shall be not less than four thousand dollars nor more than twelve thousand dollars as increased or decreased by the cost of living adjustment described in paragraph e of this subdivision; in the case of an election within the city of New York for the office of mayor, public advocate or comptroller, twenty-five thousand dollars as increased or decreased by the cost of living adjustment described in paragraph e of this subdivision; in the case of a nomination or election for state senator, five thousand dollars; in the case of an election or nomination for a member of the assembly, three thousand dollars; provided however, that the maximum amount which may be so contributed or accepted, in the aggregate, from any candidate's child, parent, grandparent, brother and sister, and the spouse of any such persons, shall not exceed in the case of any election for party position or nomination for public office an amount equivalent to the number of enrolled voters in the candidate's party in the district in which he is a candidate, excluding voters in inactive status, multiplied by $0.25 and in the case of any election to public office, an amount equivalent to the number of registered voters in the district, excluding voters in inactive status, multiplied by $0.25; or twelve hundred fifty dollars, whichever is greater, or in the
case of a nomination or election of a state senator, twenty thousand
dollars, whichever is greater, or in the case of a nomination or
election of a member of the assembly, twelve thousand five hundred
dollars, whichever is greater, but in no event shall any such maximum
exceed one hundred thousand dollars.

e. At the beginning of each fourth calendar year, commencing in [nine-
teen hundred ninety-five] two thousand twenty-one, the state board shall
determine the percentage of the difference between the most recent
available monthly consumer price index for all urban consumers published
by the United States bureau of labor statistics and such consumer price
index published for the same month four years previously. The amount of
each contribution limit fixed and expressly identified for adjustment in
this subdivision shall be adjusted by the amount of such percentage
difference to the closest one hundred dollars by the state board which,
not later than the first day of February in each such year, shall issue
a regulation publishing the amount of each such contribution limit. Each
contribution limit as so adjusted shall be the contribution limit in
effect for any election held before the next such adjustment.

f. Each party or constituted committee may transfer to, or spend to
elect or oppose a candidate, or transfer to another party or constituted
committee, no more than five thousand dollars per election, except that
such committee may in addition to such transfers or expenditures:

(i) in a general or special election transfer to, or spend to elect or
oppose a candidate, no more than five hundred dollars received from each
contributor; and

(ii) in any election spend without limitation for non-candidate
expenditures not designed or intended to elect a particular candidate or
candidates.
g. Notwithstanding any other contribution limit in this section, participating candidates as defined in subdivision fourteen of section 14-200-a of this article may contribute, out of their own money, three times the applicable contribution limit to their own authorized committee.

10. [a.] No contributor may make a contribution to a party or constituted committee and no such committee may accept a contribution from any contributor which, in the aggregate, is greater than [sixty-two thousand five hundred] twenty-five thousand dollars per annum.

[b. At the beginning of each fourth calendar year, commencing in nineteen hundred ninety-five, the state board shall determine the percentage of the difference between the most recent available monthly consumer price index for all urban consumers published by the United States bureau of labor statistics and such consumer price index published for the same month four years previously. The amount of such contribution limit fixed in paragraph a of this subdivision shall be adjusted by the amount of such percentage difference to the closest one hundred dollars by the state board which, not later than the first day of February in each such year, shall issue a regulation publishing the amount of such contribution limit. Such contribution limit as so adjusted shall be the contribution limit in effect for any election held before the next such adjustment.]

§ 5. Section 14-116 of the election law, subdivision 1 as redesignated by chapter 9 of the laws of 1978 and subdivision 2 as amended by chapter 260 of the laws of 1981, is amended to read as follows:

§ 14-116. Political contributions by certain organizations. 1. No corporation, limited liability company, or joint-stock association doing business in this state, except a corporation or association organized or
maintained for political purposes only, shall directly or indirectly pay
or use or offer, consent or agree to pay or use any money or property
for or in aid of any political party, committee or organization, or for,
or in aid of, any corporation, limited liability company, joint-stock or
other association organized or maintained for political purposes, or
for, or in aid of, any candidate for political office or for nomination
for such office, or for any political purpose whatever, or for the
reimbursement or indemnification of any person for moneys or property so
used. Any officer, director, stock-holder, attorney or agent of any
corporation, limited liability company, or joint-stock association which
violates any of the provisions of this section, who participates in,
aids, abets or advises or consents to any such violations, and any
person who solicits or knowingly receives any money or property in
violation of this section, shall be guilty of a misdemeanor.

2. Notwithstanding the provisions of subdivision one of this section,
any corporation or an organization financially supported in whole or in
part, by such corporation may make expenditures, including contribu-
tions, not otherwise prohibited by law, for political purposes, in an
amount not to exceed [five] one thousand dollars in the aggregate in any
calendar year; provided that no public utility shall use revenues
received from the rendition of public service within the state for
contributions for political purposes unless such cost is charged to the
shareholders of such a public service corporation.

§ 6. Section 14-130 of the election law, as added by chapter 152 of
the laws of 1985, is amended to read as follows:

§ 14-130. Campaign funds for personal use. Contributions received
by a candidate or a political committee may be expended for any lawful
purpose that is directly related to promoting the nomination or election
of a candidate or the execution of duties associated with the holding of
a public office or party position. Such funds shall not be converted by
any person to a personal use [which is unrelated to a political campaign
or the holding of a public office or party position].

2. No contribution shall be used to pay interest or any other finance
charges upon monies loaned to the campaign by such candidate or the
spouse of such candidate.

3. (a) As used in this section, expenditures for "personal use" are
defined as expenditures that are exclusively for the personal benefit of
the candidate or any other individual, and are used to fulfill any
commitment, obligation, or expense of a person that would exist irre-
spective of the candidate's election campaign or the execution of the
duties of public office or the execution of the duties of a party offi-
cial.

(b) Expenditures for personal use shall include, but are not limited
to, expenses for the following:

(i) any residential or household items, supplies or expenditures,
including mortgage, rent or utility payments for any part of any
personal residence of a candidate or officeholder or a member of the
candidate's or officeholder's family that are not incurred as a result
of, or to facilitate, the individual's campaign, or the execution of his
or her public duties. In the event that any property or building is used
for both personal and campaign use, personal use shall constitute
expenses that exceed the pro-rated amount for such expenses based on
fair-market value.

(ii) mortgage, rent, or utility payments for any part of any non-
residential property that is owned by a candidate or officeholder or a
member of a candidate's or officeholder's family and used for campaign
purposes, to the extent the payments exceed the fair market value of the
property's usage for campaign activities;

(iii) clothing, other than items that are used in the campaign;
(iv) tuition payments;
(v) childcare costs;
(vi) dues, fees, or gratuities at a country club, health club, recre-
ational facility or other nonpolitical organization, unless they are
part of a specific fundraising event that takes place on the organiza-
tion's premises;
(vii) salary payments or other compensation provided to any person
whose services are not solely for campaign purposes or provided in
connection with the execution of the duties of public office;
(viii) salary payments or other compensation provided to a member of a
candidate's family, unless the family member is providing bona fide
services to the campaign. If a family member provides bona fide services
to a campaign, any salary payments or other compensation in excess of
the fair market value of the services provided shall be considered
payments for personal use;
(ix) admission to a sporting event, concert, theater, or other form of
entertainment, unless such event is part of a campaign or officeholder
activity;
(x) payment of any fines or penalties assessed pursuant to this chap-
ter or in connection with a criminal conviction or by the joint commis-
sion for public ethics or the legislative ethics commission;
(xi) travel expenses including automobile purchases or leases, unless
used solely for campaign purposes or in connection with the execution of
the duties of public office. If a candidate uses campaign funds to pay
expenses associated with travel that involves both personal activities
and campaign activities or official duties, the incremental expenses
that result from the personal activities shall be considered for
personal use unless the person or persons benefiting from the use reim-
burse or reimburses the campaign account within ninety days for the full
amount of the incremental expenses; and
(xii) any other expenditure designated by the state board of elections
as constituting personal use.

4. Nothing in this section shall prohibit a candidate from purchasing
equipment or property from his or her personal funds and leasing or
renting such equipment or property to a committee working directly or
indirectly with him to aid or participate in his or her nomination or
election, including an exploratory committee, provided that the can-
date and his or her campaign treasurer sign a written lease or rental
agreement. Such agreement shall include the lease or rental price, which
shall not exceed the fair lease or rental value of the equipment. The
candidate shall not receive lease or rental payments which, in the
aggregate, exceed the cost of purchasing the equipment or property.

5. Nothing in this section shall prohibit an elected public office-
holder from using campaign contributions to facilitate, support, or
otherwise assist in the execution or performance of the duties of his or
her public office.

6. The state board of elections shall issue advisory opinions from
time to time upon request to address the application of this section.

§ 7. Article 14 of the election law is amended by adding a new title
II to read as follows:

TITLE II

PUBLIC FINANCING

Section 14-200. Legislative findings and intent.
14-200. Legislative findings and intent. The legislature finds that reform of New York state's campaign finance system is crucial to improving public confidence in the state's democratic processes and continuing to ensure a government that is accountable to all of the voters of the state regardless of wealth or position. The legislature finds that New York's current system of campaign finance, with its large contributions to candidates for office and party committees, has created the potential for and the appearance of corruption. The legislature further finds that, whether or not this system creates actual corruption, the appearance of such corruption can give rise to a distrust in government and citizen apathy that undermine the democratic operation of the political process.
The legislature also finds that the high cost of running for office in New York discourages qualified candidates from running for office and creates an electoral system that encourages candidates to spend too much time raising money rather than attending to the duties of their office, representing the needs of their constituents, and communicating with voters.

The legislature amends this chapter creating a new title two to article fourteen of this chapter to reduce the possibility and appearance that special interests exercise undue influence over state officials; to increase the actual and apparent responsiveness of elected officials to all voters; to encourage qualified candidates to run for office; and to reduce the pressure on candidates to spend large amounts of time raising large contributions for their campaigns.

The legislature finds that this article's limitations on contributions further the government's interest in reducing real and apparent corruption and in building trust in government. The legislature finds that the contribution levels are sufficiently high to allow candidates and political parties to raise enough money to run effective campaigns. In addition, the legislature finds that graduated contribution limitations reflect the campaign needs of candidates for different offices.

The legislature also finds that the system of voluntary public financing furthered the government's interest in encouraging qualified candidates to run for office. The legislature finds that the voluntary public funding program will enlarge the public debate and increase participation in the democratic process. In addition, the legislature finds that the voluntary expenditure limitations and matching fund program reduce the burden on candidates and officeholders to spend time raising money for their campaigns.
Therefore, the legislature declares that these amendments further the
important and valid government interests of reducing voter apathy,
building confidence in government, reducing the reality and appearance
of corruption, and encouraging qualified candidates to run for office,
while reducing candidates' and officeholders' fundraising burdens.
§ 14-200-a. Definitions. For the purposes of this title, the follow-
ing terms shall have the following meanings:
1. The term "authorized committee" shall mean the single committee
designated by a candidate pursuant to section 14-201 of this title to
receive contributions and make expenditures in support of the can-
date's campaign.
2. The term "board" shall mean the state board of elections.
3. The term "contribution" shall have the same meaning as appears in
   subdivision nine of section 14-100 of this article.
4. The term "contributor" shall mean any person or entity that makes a
   contribution.
5. The term "covered election" shall mean any primary, general, or
   special election for nomination for election, or election, to the office
   of governor, lieutenant governor, attorney general, state comptroller,
   state senator, or member of the assembly.
6. The term "election cycle" shall mean the two year period starting
   the day after the last general election for candidates for the state
   legislature and shall mean the four year period starting after the day
   after the last general election for candidates for statewide office.
7. The term "expenditure" shall mean any gift, subscription, advance,
   payment, or deposit of money or anything of value, or a contract to make
   any gift, subscription, payment, or deposit of money or anything of
   value, made in connection with the nomination for election, or election.
of any candidate. Expenditures made by contract are deemed made when such funds are obligated.

8. The term "fund" shall mean the New York state campaign finance fund.

9. The term "immediate family" shall mean a spouse, child, sibling or parent.

10. The term "intermediary" shall mean an individual, corporation, partnership, political committee, employee organization or other entity which bundles, causes to be delivered or otherwise delivers any contribution from another person or entity to a candidate or authorized committee, other than in the regular course of business as a postal, delivery or messenger service. Provided, however, that an "intermediary" shall not include spouses, domestic partners, parents, children or siblings of the person making such contribution or a staff member or volunteer of the campaign identified in writing to the state board of elections. Here "causes to be delivered" shall include providing postage, envelopes or other shipping materials for the use of delivering the contribution to the ultimate recipient.

11. The term "item with significant intrinsic and enduring value" shall mean any item, including tickets to an event, that are valued at twenty-five dollars or more.

12. (a) The term "matchable contribution" shall mean a contribution, contributions or a portion of a contribution or contributions for any covered elections held in the same election cycle, made by a natural person who is a United States citizen and resident in the state of New York to a participating candidate, that has been reported in full to the board in accordance with sections 14-102 and 14-104 of this article by the candidate's authorized committee and has been contributed on or
before the day of the applicable primary, general, runoff or special
election. Any contribution, contributions, or a portion of a contrib-
ution determined to be invalid for matching funds by the board may not
be treated as a matchable contribution for any purpose.
(b) The following contributions are not matchable:
(i) loans;
(ii) in-kind contributions of property, goods, or services;
(iii) contributions in the form of the purchase price paid for an item
with significant intrinsic and enduring value;
(iv) transfers from a party or constituted committee;
(v) anonymous contributions or contributions whose source is not item-
ized as required by section 14-201 of this title;
(vi) contributions gathered during a previous election cycle;
(vii) illegal contributions;
(viii) contributions from minors;
(ix) contributions from vendors for campaigns; and
(x) contributions from lobbyists registered pursuant to subdivision
(a) of section one-c of the legislative law.

13. The term "nonparticipating candidate" shall mean a candidate for a
covered election who fails to file a written certification in the form
of an affidavit under section 14-204 of this title by the applicable
deadline.

14. The term "participating candidate" shall mean any candidate for
nomination for election, or election, to the office of governor, lieu-
tenant governor, attorney general, State comptroller, state senator, or
member of the assembly who files a written certification in the form of
an affidavit pursuant to section 14-204 of this title.
15. The term "post-election period" shall mean the five years following an election when a candidate is subject to an audit.

16. The term "qualified campaign expenditure" shall mean an expenditure for which public matching funds may be used.

17. The term "threshold for eligibility" shall mean the amount of matchable contributions that a candidate's authorized committee must receive in total in order for such candidate to qualify for voluntary public financing under this title.

18. The term "transfer" shall mean any exchange of funds between a party or constituted committee and a candidate or any of his or her authorized committees.

§ 14-201. Reporting requirements. 1. Political committee registration. Political committees as defined pursuant to subdivision one of section 14-100 of this article shall register with the board before making any contribution or expenditure. The board shall publish a cumulative list of political committees that have registered, including on its webpage, and regularly update it.

2. Only one authorized committee per candidate per elective office sought. Before receiving any contribution or making any expenditure for a covered election, each candidate shall notify the board as to the existence of his or her authorized committee that has been approved by such candidate. Each candidate shall have one and only one authorized committee per elective office sought. Each authorized committee shall have a treasurer and is subject to the restrictions found in section 14-112 of this article.

3. Disclosure reports. (a) Detailed reporting. In addition to each authorized and political committee reporting to the board every contribution and loan received and every expenditure made in the time and
manner prescribed by sections 14-102, 14-104 and 14-108 of this article.

each authorized and political committee shall also submit disclosure
reports on March fifteenth and May fifteenth of each election year
reporting to the board every contribution and loan received and every
expenditure made. For contributors who make contributions of five
hundred dollars or more, each authorized and political committee shall
report to the board the occupation, and business address of each
contributor, lender, and intermediary. The board shall revise, prepare
and post forms on its webpage that facilitate compliance with the
requirements of this section.

(b) Board review. The board's public financing unit shall review each
disclosure report filed and shall inform authorized and political
committees of relevant questions the unit has concerning: (i) compliance
with requirements of this title and of the rules issued by the board;
and (ii) qualification for receiving public matching funds pursuant to
this title. In the course of this review, the unit shall give authorized
and political committees an opportunity to respond to and correct poten-
tial violations and give candidates an opportunity to address questions
the unit has concerning their matchable contribution claims or other
issues concerning eligibility for receiving public matching funds pursu-
ant to this title. Nothing in this paragraph shall preclude the unit or
the board from subsequently reviewing such disclosure reports and taking
any action otherwise authorized under this title.

(c) Itemization. Contributions that are not itemized in reports filed
with the board shall not be matchable.

(d) Option to file more frequently. Participating candidates may file
reports of contributions as frequently as once a week on Fridays so that
their matching funds may be paid at the earliest allowable date.
§ 14-202. Contributions. Recipients of funds pursuant to this title shall be subject to the applicable contribution limits set forth in section 14-114 of this article.

§ 14-203. Proof of compliance. Authorized and political committees shall maintain such records of receipts and expenditures for a covered election as required by the board. Authorized and political committees shall obtain and furnish to the public financing unit any information it may request relating to financial transactions or contributions and furnish such documentation and other proof of compliance with this title as may be requested. In compliance with section 14-108 of this article, authorized and political committees shall maintain copies of such records for a period of five years.

§ 14-204. Eligibility. 1. Terms and conditions. To be eligible for voluntary public financing under this title, a candidate must:

(a) be a candidate in a covered election;

(b) meet all the requirements of law to have his or her name on the ballot;

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

(d) submit a certification in the form of an affidavit, in such form as may be prescribed by the board, that sets forth his or her acceptance of and agreement to comply with the terms and conditions for the provision of such funds in each covered election and such certification shall be submitted at least four months before the election pursuant to a schedule promulgated by the public financing unit of the board;

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

(f) not make, and not have made, expenditures from or use his or her personal funds or property or the personal funds or property jointly
held with his or her spouse, or emancipated children in connection
with his or her nomination election or election to a covered office
except as a contribution to his or her authorized committee in an amount
that exceeds three times the applicable contribution limit from an indi-
vidual contributor to candidates for the office that he or she is seek-
ing:

(a) meet the threshold for eligibility set forth in subdivision two of
this section; and

(b) continue to abide by all requirements during the post-election
period.

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

(i) Governor, not less than six hundred fifty thousand dollars in
matchable contributions including at least six thousand five hundred
matchable contributions comprised of sums between ten and one hundred
seventy-five dollars per contributor, from residents of New York state;

(ii) Lieutenant governor, attorney general, and comptroller, not less
than two hundred thousand dollars in matchable contributions including
at least two thousand matchable contributions comprised of sums between
ten and one hundred seventy-five dollars per contributor, from residents
of New York state;

(iii) State senator, not less than twenty thousand dollars in matcha-
ble contributions including at least two hundred matchable contributions
comprised of sums between ten and one hundred seventy-five dollars per
contributor, from residents of the district in which the seat is to be
filled; and

(iv) Member of the assembly, not less than ten thousand dollars in
matchable contributions including at least one hundred matchable
contributions comprised of sums between ten and one hundred seventy-five dollars per contributor, from residents of the district in which the seat is to be filled.

(b) Any participating candidate meeting the threshold for eligibility in a primary election for one of the foregoing offices shall be deemed to have met the threshold for eligibility for such office in any other subsequent election held in the same calendar year.

§ 14205. Limits on public financing. The following limitations apply to the total amounts of public funds that may be provided to a participating candidate's authorized committee for an election cycle:

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

   (i) for governor, the sum of eight million dollars;

   (ii) for lieutenant governor, comptroller or attorney general, the sum of four million dollars;

   (iii) for senator, the sum of three hundred seventy-five thousand dollars;

   (iv) for member of the assembly, the sum of one hundred seventy-five thousand dollars.

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

Candidates for election to the office of:

Governor and lieutenant governor (combined) $10,000,000

Attorney general $4,000,000

Comptroller $4,000,000

Member of senate $275,000

Member of assembly $175,000
3. No participating candidate for nomination for an office who is not
opposed by a candidate on the ballot in a primary election shall be
entitled to payment of public matching funds, except that, where there
is a contest in such primary election for the nomination of at least one
of the two political parties with the highest and second highest number
of enrolled members for such office, a participating candidate who is
unopposed in the primary election may receive public funds before the
primary election, for expenses incurred on or before the date of such
primary election, in an amount equal to up to half the sum set forth in
paragraph one of this section.

§ 14-206. Payment of public matching funds. 1. Determination of eligi-
bility. No public matching funds shall be paid to an authorized commit-
tee unless the public financing unit determines that the participating
candidate has met the eligibility requirements of this title. Payment
shall not exceed the amounts specified in subdivision two of this
section, and shall be made only in accordance with the provisions of
this title. Such payment may be made only to the participating candi-
date's authorized committee. No public matching funds shall be used
except as reimbursement or payment for qualified campaign expenditures
actually and lawfully incurred or to repay loans used to pay qualified
campaign expenditures.

2. Calculation of payment. If the threshold for eligibility is met,
the participating candidate's authorized committee shall receive payment
for qualified campaign expenditures of six dollars of public matching
funds for each one dollar of matchable contributions, for the first one
hundred seventy-five dollars of eligible private funds per contributor,
obtained and reported to the board in accordance with the provisions of
this title. The maximum payment of public matching funds shall be limit-
ed to the amounts set forth in section 14-205 of this title for the covered election.

3. Timing of payment. The public financing unit shall make any payment of public matching funds to participating candidates as soon as is practicable. But in all cases, that unit shall verify eligibility for public matching funds within four days of receiving a campaign contribution report filed in compliance with section 14-104 of this article. Within two days of determining that a candidate for a covered office is eligible for public matching funds, the unit shall pay the applicable matching funds owed to the candidate. However, the unit shall not make any payments of public money earlier than the earliest dates for making such payments as provided by this title. If any of such payments would require payment on a weekend or federal holiday, payment shall be made on the next business day.

4. Electronic funds transfer. The board shall promulgate rules to facilitate electronic funds transfers directly from the fund into an authorized committee's bank account.

5. Irregularly scheduled elections. Notwithstanding any other provision of this title, the board shall promulgate rules to provide for the prompt issuance of public matching funds to eligible participating candidates for qualified campaign expenditures in the case of any other covered election held on a day different from that than originally scheduled including special elections. But in all cases, the public financing unit shall (a) within four days of receiving a report of contributions from a candidate for a covered office claiming eligibility for public matching funds verify that candidate's eligibility for public matching funds; and (b) within two days of determining that the candid-
date for a covered office is eligible for public matching funds, the
unit shall pay the applicable matching funds owed to the candidate.
§ 14-207. Use of public matching funds; qualified campaign expendi-
tures. 1. Public matching funds provided under the provisions of this
title may be used only by an authorized committee for expenditures to
further the participating candidate's nomination for election or
election, including paying for debts incurred within one year prior to
an election to further the participating candidate's nomination for
election or election.

2. Such public matching funds may not be used for:
(a) an expenditure in violation of any law;
(b) an expenditure in excess of the fair market value of services,
materials, facilities or other things of value received in exchange;
(c) an expenditure made after the candidate has been finally disquali-
fied from the ballot;
(d) an expenditure made after the only remaining opponent of the
candidate has been finally disqualified from the general or special
election ballot;
(e) an expenditure made by cash payment;
(f) a contribution or loan or transfer made to or expenditure to
support another candidate or political committee or party, committee or
constituted committee;
(g) an expenditure to support or oppose a candidate for an office
other than that which the participating candidate seeks;
(h) gifts, except brochures, buttons, signs and other printed campaign
material;
(i) legal fees to defend against a criminal charge.
(i) payments to immediate family members of the participating can-
date; or

(k) any expenditure made to challenge the validity of any petition of
designation or nomination or any certificate of nomination, acceptance,
authorization, declination or substitution.

§ 14-208. Powers and duties of board. 1. Advisory opinions. The board
shall render advisory opinions with respect to questions arising under
this title upon the written request of a candidate, an officer of a
political committee or member of the public, or upon its own initiative.
The board shall promulgate rules regarding reasonable times to respond
to such requests. The board shall make public the questions of interpr-
tation for which advisory opinions will be considered by the board and
its advisory opinions, including by publication on its webpage with
identifying information redacted as the board determines to be appropri-
ate.

2. Public information and candidate education. The board shall develop
a program for informing candidates and the public as to the purpose and
effect of the provisions of this title, including by means of a webpage.
The board shall prepare in plain language and make available educational
materials, including compliance manuals and summaries and explanations
of the purposes and provisions of this title. The board shall prepare or
have prepared and make available materials, including, to the extent
feasible, computer software, to facilitate the task of compliance with
the disclosure and record-keeping requirements of this title.

3. Rules and regulations. The board shall have the authority to
promulgate such rules and regulations and provide such forms as it deems
necessary for the administration of this title.
4. Database. The board shall develop an interactive, searchable computer database that shall contain all information necessary for the proper administration of this title including information on contributions to and expenditures by candidates and their authorized committees, independent expenditures in support or opposition of candidates for covered offices, and distributions of moneys from the fund. Such database shall be accessible to the public on the board's webpage.

5. The board's public financing unit shall work with the enforcement unit to enforce this section.

§ 14-209. Audits and repayments. 1. Audits. The board shall audit and examine all matters relating to the proper administration of this title and shall complete such audit no later than two years after the election in question. Every candidate who receives public funds under this title shall be audited by the board. The cost of complying with a post-election audit shall be borne by the candidate's authorized committee using public funds, private funds or any combination of such funds. Candidates who run in both a primary and general election must maintain a reserve of three percent of the public funds received to comply with the post-election audit. The board shall issue to each campaign audited a final audit report that details its findings.

2. Repayments. (a) If the board determines that any portion of the payment made to a candidate's authorized committee from the fund was in excess of the aggregate amount of payments that such candidate was eligible to receive pursuant to this title, it shall notify such committee and such committee shall pay to the board an amount equal to the amount of excess payments. Provided, however, that if the erroneous payment was the result of an error by the board, then the erroneous payment will be deducted from any future payment, if any, and if no
payment is to be made then neither the candidate nor the committee shall
be liable to repay the excess amount to the board. The candidate, the
treasurer and the candidate's authorized committee are jointly and
severely liable for any repayments to the board.

(b) If the board determines that any portion of the payment made to a
candidate's authorized committee from the fund was used for purposes
other than qualified campaign expenditures and such expenditures were
not approved by the board, it shall notify such committee of the amount
so disqualified and such committee shall pay to the board an amount
equal to such disqualified amount. The candidate, the treasurer and the
candidate's authorized committee are jointly and severally liable for
any repayments to the board.

(c) If the total of payments from the fund received by a participating
candidate and his or her authorized committee exceed the total campaign
expenditures of such candidate and authorized committee for all covered
elections held in the same calendar year or for a special election to
fill a vacancy, such candidate and committee shall use such excess funds
to reimburse the fund for payments received by such authorized committee
from the fund during such calendar year or for such special election.
Participating candidates shall pay to the board unspent public campaign
funds from an election not later than twenty-seven days after all
liabilities for the election have been paid and in any event, not later
than the day on which the board issues its final audit report for the
participating candidate's authorized committee; provided, however, that
all unspent public campaign funds for a participating candidate shall be
immediately due and payable to the board upon a determination by the
board that the participant has delayed the post-election audit. A
participating candidate may make post-election expenditures with public
funds only for routine activities involving nominal cost associated with
winding up a campaign and responding to the post-election audit. Nothing
in this title shall be construed to prevent a candidate or his or
her authorized committee from using campaign contributions received from
private contributors for otherwise lawful expenditures.

3. The board shall promulgate regulations for the certification of the
amount of funds payable by the comptroller, from the fund established
pursuant to section ninety-two-t of the state finance law, to a partic-
ipating candidate that has qualified to receive such payment. These
regulations shall include the promulgation and distribution of forms on
which contributions and expenditures are to be reported, the periods
during which such reports must be filed and the verification required.
The board shall institute procedures which will make possible payment by
the fund within four business days after receipt of the required forms
and verifications.

§ 14-210. Enforcement and penalties for violations and other
proceedings. 1. Civil penalties. Violations of any provision of this
title or rule promulgated pursuant to this title shall be subject to a
civil penalty in an amount not in excess of fifteen thousand dollars.

2. Notice of violation and opportunity to contest. The board shall:

(a) determine whether a violation of any provision of this title or
rule promulgated hereunder has been committed;

(b) give written notice and the opportunity to contest before an inde-
pendent hearing officer to each person or entity it has reason to
believe has committed a violation; and

(c) if appropriate, assess penalties for violations, following such
notice and opportunity to contest.
3. Criminal conduct. Any person who knowingly and willfully furnishes or submits false statements or information to the board in connection with its administration of this title, shall be guilty of a misdemeanor in addition to any other penalty as may be imposed under this chapter or pursuant to any other law. The board shall seek to recover any public matching funds obtained as a result of such criminal conduct.

4. Proceedings as to public financing. (a) The determination of eligibility pursuant to this title and any question or issue relating to payments for campaign expenditures pursuant to this title may be contested in a proceeding instituted in the Supreme Court, Albany county, by any aggrieved candidate.

(b) A proceeding with respect to such a determination of eligibility or payment for qualified campaign expenditures pursuant to this chapter shall be instituted within fourteen days after such determination was made. The board shall be made a party to any such proceeding.

(c) Upon the board's failure to receive the amount due from a participating candidate or such candidate's authorized committee after the issuance of written notice of such amount due, as required by this title, the board is authorized to institute a special proceeding or civil action in Supreme Court, Albany county, to obtain a judgment for any amounts determined to be payable to the board as a result of an examination and audit made pursuant to this title or to obtain such amounts directly from the candidate or authorized committee after a hearing at the state board of elections.

(d) The board is authorized to institute a special proceeding or civil action in Supreme Court, Albany county, to obtain a judgment for civil penalties determined to be payable to the board pursuant to this title.
or to impose such penalty directly after a hearing at the state board of

elections.

§ 14-211. Reports. The board shall review and evaluate the effect of
this title upon the conduct of election campaigns and shall submit a
report to the legislature on or before January first, two thousand nine-
teen, and every third year thereafter, and at any other time upon the
request of the governor and at such other times as the board deems
appropriate. These reports shall include:

1. a list of the participating and nonparticipating candidates in
covered elections and the votes received by each candidate in those
elections;

2. the amount of contributions and loans received, and expenditures
made, on behalf of these candidates;

3. the amount of public matching funds each participating candidate
received, spent, and repaid pursuant to this title;

4. analysis of the effect of this title on political campaigns,
including its effect on the sources and amounts of private financing,
the level of campaign expenditures, voter participation, the number of
candidates, the candidates' ability to campaign effectively for public
office, and the diversity of candidates seeking and elected to office;

and

5. recommendations for amendments to this title, including changes in
contribution limits, thresholds for eligibility, and any other features
of the system.

§ 14-212. Debates for candidates for statewide office. The board
shall promulgate regulations to facilitate debates among participating
candidates who seek election to statewide office. Participating candi-
dates are required to participate in one debate before each election for
which the candidate receives public funds, unless the participating
candidate is running unopposed. Nonparticipating candidates may partic-
ipate in such debates.

§ 14-213. Severability. If any clause, sentence, subdivision, para-
graph, section or part of this title be adjudged by any court of compe-
tent jurisdiction to be invalid, such judgment shall not affect, impair
or invalidate the remainder thereof, but shall be confined in its opera-
tion to the clause, sentence, subdivision, paragraph, section or part
thereof directly involved in the controversy in which such judgment
shall have been rendered.

§ 7-a. The general business law is amended by adding a new section
359-gg to read as follows:

§ 359-gg. Additional surcharge. In addition to any penalty authorized
by section three hundred fifty-nine-g of this article or any damages or
other compensation recoverable including, but not limited to, any
settlement authorized by section sixty-three or sixty-three-c of the
executive law, there shall be assessed thereon an additional surcharge
in the amount of ten percent of the total amount of such penalty,
damages or settlement. Such surcharge shall be deposited in the New York
state campaign finance fund established by section ninety-two-t of the
state finance law.

§ 8. The state finance law is amended by adding a new section 92-t to
read as follows:

§ 92-t. New York state campaign finance fund. 1. There is hereby
established in the joint custody of the state comptroller and the
commissioner of taxation and finance a fund to be known as the New York
state campaign finance fund.
2. Such fund shall consist of all revenues received from the New York
state campaign finance fund check-off pursuant to subsection (f) of
section six hundred fifty-eight of the tax law, from the surcharge
imposed pursuant to section three hundred fifty-nine-gg of the general
business law, from the abandoned property fund pursuant to section nine-
ty-five of this article, from the general fund, and from all other
moneys credited or transferred thereto from any other fund or source
pursuant to law. Such fund shall also receive contributions from
private individuals, organizations, or other persons to fulfill the
purposes of the public financing system.

3. Moneys of the fund, following appropriation by the legislature, may
be expended for the purposes of making payments to candidates pursuant
to title II of article fourteen of the election law. Moneys shall be
paid out of the fund by the state comptroller on vouchers certified or
approved by the state board of elections, or its duly designated repre-
sentative, in the manner prescribed by law, not more than four working
days after such voucher is received by the state comptroller.

4. Notwithstanding any provision of law to the contrary, if, in any
state fiscal year, the state campaign finance fund lacks the amount of
money to pay all claims vouchered by eligible candidates and certified
or approved by the state board of elections, any such deficiency shall
be paid by the state comptroller, from funds deposited in the general
fund of the state not more than four working days after such voucher is
received by the state comptroller.

5. Commencing in two thousand sixteen, if the surplus in the fund on
April first of the year after a year in which a governor is elected
exceeds twenty-five percent of the disbursements from the fund over the
previous four years, the excess shall revert to the general fund of the state.

6. No public funds shall be paid to any participating candidates in a primary election any earlier than thirty days after designating petitions, independent nominating petitions, or certificates of nomination have been filed and not less than forty-five days before such election.

7. No public funds shall be paid to any participating candidates in a general election any earlier than the day after the day of the primary election held to nominate candidates for such election.

8. No public funds shall be paid to any participating candidates in a special election any earlier than the day after the last day to file certificates of party nomination for such special election.

9. No public funds shall be paid to any participating candidate who has been disqualified or whose designating petitions have been declared invalid by the appropriate board of elections or a court of competent jurisdiction until and unless such finding is reversed by a higher court in a final judgment. No payment from the fund in the possession of such a candidate or such candidate's participating committee on the date of such disqualification or invalidation may thereafter be expended for any purpose except the payment of liabilities incurred before such date.

All such moneys shall be repaid to the fund.

§ 8-a. Section 95 of the state finance law is amended by adding a new subdivision 5 to read as follows:

5. Notwithstanding any provision of this section authorizing the transfer of any moneys in the abandoned property fund to the general fund, in January of each year in which a state general election is to be held pursuant to law, or at least six weeks prior to any state special
election, the comptroller, upon warrant or voucher by the chairman of
the campaign finance board or his or her duly appointed representative,
shall transfer moneys of the abandoned property fund into the campaign
finance fund pursuant to section ninety-nine-v of this article. On March
thirty-first of the year following such general election year, such
chairman shall transfer to the general fund any surplus moneys of the
campaign finance fund as of such date.
§ 9. Section 658 of the tax law is amended by adding a new subsection
(f) to read as follows:
(f) New York state campaign finance fund check-off. (1) For each taxa-
ble year beginning on and after January first, two thousand fourteen,
every individual whose New York state income tax liability for the taxa-
ble year for which the return is filed is ten dollars or more may desig-
nate on such return that ten dollars be paid into the New York state
campaign finance fund established by section ninety-two-t of the state
finance law. Where a husband and wife file a joint return and have a New
York state income tax liability for the taxable year for which the
return is filed is twenty dollars or more, or file separate returns on a
single form, each such taxpayer may make separate designations on such
return of ten dollars to be paid into the New York state campaign
finance fund.
(2) The commissioner shall transfer to the New York state campaign
finance fund, established pursuant to section ninety-two-t of the state
finance law, an amount equal to ten dollars multiplied by the number of
designations.
(3) For purposes of this subsection, the income tax liability of an
individual for any taxable year is the amount of tax imposed under this
article reduced by the sum of the credits (as shown in his or her
return) allowable under this article.

(4) The department shall include a place on every personal income tax
return form to be filed by an individual for a tax year beginning on or
after January first, two thousand thirteen, for such taxpayer to make
the designations described in paragraph one of this subsection. Such
return form shall contain a concise explanation of the purpose of such
optional designations.

§ 10. Severability. If any clause, sentence, subdivision, paragraph,
section or part of title II of article 14 of the election law, as added
by section seven of this act be adjudged by any court of competent
jurisdiction to be invalid, such judgment shall not affect, impair or
invalidate the remainder thereof, but shall be confined in its operation
to the clause, sentence, subdivision, paragraph, section or part thereof
directly involved in the controversy in which such judgment shall have
been rendered.

§ 11. This act shall take effect January 1, 2015.

§ 3. Severability. If any clause, sentence, subdivision, paragraph,
section, subpart or part of this act be adjudged by any court of compe-
tent jurisdiction to be invalid, such judgment shall not affect, impair
or invalidate the remainder thereof, but shall be confined in its opera-
tion to the clause, sentence, subdivision, paragraph, section, subpart
or part thereof directly involved in the controversy in which such judg-
ment shall have been rendered. It is hereby declared to be the intent of
the legislature that this act would have been enacted even if such
invalid provisions had not been included herein.
§ 4. This act shall take effect immediately, provided, however, that the applicable effective dates of Parts A through B of this act shall be as specifically set forth in the last section of such Parts.