

Pursuant to the authority vested in section 94 of the Executive Law, Part 943 of Title 19 of the Official Compilation of Codes, Rules and Regulations of the State of New York is amended to be effective January 1, 2021 after publication of a Notice of Adoption in the New York State Register, to read as follows:

Paragraph (1) of subdivision (b) of section 938.2 is amended to read as follows:

(1) A Beneficial Client, as defined in section 3 of Part 943 of this Title, other than a Public Corporation; or

Subdivision (e) of section 938.2 is amended to read as follows:

(e) *Contribution* shall mean any payment to, or for the benefit of, the Client Filer and which is intended to fund, in whole or in part, the Client Filer's activities or operations. Contribution shall include equity investments in limited liability companies, general partnerships, and corporations; provided, however, Contribution shall not include publicly traded stocks or shares. Contribution shall not mean: (i) a payment in exchange for goods or services rendered or delivered directly to the individual or entity making the payment; and (ii) a payment that: (a) is earmarked and conditioned by the payor such that it may only be used for a specific purpose other than lobbying activity in New York; and (b) is maintained in a segregated bank account solely for the specific purpose and unavailable for general operating expenses. For example, an organization that maintains a separate segregated bank account for a lobbying initiative in California need not report a payment earmarked by the payor for this initiative, provided however, that funds from this account may not be used for operating expenses or any other reason other than the California initiative.

(1) Records of such payments must be retained for a period of three years and may be requested by the Commission to verify qualification for this exclusion.

(2) To qualify for the exclusion in subparagraph (ii) above, it is not sufficient for a payor to restrict a payment from being used for lobbying in New York; the payor must earmark the payment for the specific purpose stated in (ii)(a).

Clause (a) is amended and new clause (b) is added to subparagraph (i) of paragraph (1) of subdivision (e) of section 938.3 to read as follows:

(a) A disclosure that identifies an intermediary or any other entity that obscures the name of the person, corporation, partnership, organization, or entity actually making the Contribution, does not qualify as the Source; and

(b) The name of a Source cannot be reported as “anonymous” unless the Client Filer affirms to the Commission that the Client Filer is not able to determine the identity of the Source.