

SENATE BILL 518

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2001 Regular Session
(11r2253)

ENROLLED BILL

-- Economic and Environmental Affairs/Commerce and Government Matters --

Introduced by **Senator Blount**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER 158

1 AN ACT concerning

2 **Election Law - Political Action Committees - Contributions**

3 FOR the purpose of ~~authorizing a political action committee sponsored by or affiliated~~
4 ~~with another entity or group to collect contributions paid voluntarily by~~
5 ~~members when the member makes payment for membership dues or makes~~
6 ~~payment for contributions to a political action committee established under~~
7 ~~federal law; authorizing a political action committee that is sponsored by or~~
8 ~~affiliated with an entity or group of an affiliated entity to collect contributions~~
9 ~~that are paid voluntarily by its members by means of payroll deductions,~~
10 ~~together with the payroll withholdings from the ~~employee employees~~ that are~~
11 ~~made for the payment of dues by the members to the affiliated entity ~~or group~~;~~
12 under certain circumstances; authorizing a political action committee to have
13 the combined voluntary contributions by members of an affiliated entity
14 collected by the affiliated entity in conjunction with the receipt of membership
15 dues or the voluntary contributions made to a political action committee
16 established under federal law under certain circumstances; requiring certain
17 political action committees, affiliated entities, and employers to keep certain

1 records relating to certain contributions ~~that are made by payroll deduction to~~
 2 political action committees under certain circumstances; prohibiting certain
 3 practices concerning solicitations for contributions to political action
 4 committees; and generally relating to ~~certain~~ contributions to political action
 5 committees.

6 BY repealing and reenacting, with amendments,
 7 Article 33 - Election Code
 8 Section 13-210 and 13-211
 9 Annotated Code of Maryland
 10 (1997 Replacement Volume and 2000 Supplement)

11 BY adding to
 12 Article 33 - Election Code
 13 Section 13-211.1
 14 Annotated Code of Maryland
 15 (1997 Replacement Volume and 2000 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article 33 - Election Code**

19 13-210.

20 (a) Except as provided in [§ 13-211] §§ 13-211 AND 13-211.1 of this subtitle and
 21 subsection (b) of this section, no person other than a candidate shall, to aid or promote
 22 the success or defeat of any political party or principle or of any proposition submitted
 23 to vote at any public election, or of any candidate for nomination for, or election to
 24 public or party office, make a payment or contribution of money or property or incur
 25 any liability or promise any valuable thing to any person other than to the treasurer
 26 or subtreasurer of a candidate or [treasurer of a] political committee, INCLUDING A
 27 POLITICAL ACTION COMMITTEE, in their official capacity.

28 (b) (1) A contribution may be made directly to a candidate provided the
 29 candidate shall report the contribution to the candidate's treasurer.

30 (2) Nothing contained in this subtitle shall limit or affect the right of any
 31 person to volunteer the time or personal vehicle of the person for transportation
 32 incident to any election or to expend money for proper legal expenses in maintaining
 33 or contesting the results of any election.

34 13-211.

35 (a) (1) [An] WHEN EMPLOYEE CONTRIBUTIONS ARE MADE FOR A
 36 CANDIDATE OR POLITICAL COMMITTEE, INCLUDING A POLITICAL ACTION
 37 COMMITTEE AFFILIATED WITH THE EMPLOYER, THE employer may accumulate in a

1 separate, segregated account the combined, voluntary, and periodic contributions of
2 employees made by payroll deduction.

3 (2) WHEN EMPLOYEE CONTRIBUTIONS ARE MADE FOR A POLITICAL
4 ACTION COMMITTEE AFFILIATED WITH AN ENTITY IN WHICH THE EMPLOYEE IS A
5 MEMBER AND FOR WHICH THE EMPLOYER WITHHOLDS BY MEANS OF PAYROLL
6 DEDUCTIONS PERIODIC PAYMENTS OF DUES BY THE EMPLOYEES TO THE
7 AFFILIATED ENTITY, THE EMPLOYER MAY ALSO COLLECT FROM THE EMPLOYEE, IN
8 CONJUNCTION WITH THE PAYROLL DEDUCTION OF DUES, THE COMBINED,
9 VOLUNTARY, AND PERIODIC CONTRIBUTIONS OF EMPLOYEES MADE BY PAYROLL
10 DEDUCTION.

11 (b) (1) An employer shall keep and maintain detailed, full, and accurate
12 records of all payroll deductions made under subsection [(a)] (A)(1) of this section,
13 including:

14 [(1)] (I) The names of the individual contributors;

15 [(2)] (II) The day on which each contribution is withheld;

16 [(3)] (III) The amount of each contribution withheld from an employee's
17 paycheck; and

18 [(4)] (IV) The disposition of the amounts withheld.

19 (2) A POLITICAL ACTION COMMITTEE, IN CONJUNCTION WITH THE
20 AFFILIATED ENTITY AND THE EMPLOYER, SHALL KEEP AND MAINTAIN DETAILED,
21 FULL, AND ACCURATE RECORDS OF ALL PAYROLL DEDUCTIONS MADE UNDER
22 SUBSECTION (A)(2) OF THIS SECTION, INCLUDING:

23 (I) THE NAMES OF THE INDIVIDUAL CONTRIBUTORS;

24 (II) THE DAY ON WHICH THE PAYROLL DEDUCTION WAS MADE;

25 (III) THE AMOUNT OF EACH DEDUCTION THAT ~~CONSTITUTES~~
26 INCLUDES THE CONTRIBUTION TO THE POLITICAL ACTION COMMITTEE;

27 (IV) THE DAY ON WHICH THE COMBINED, VOLUNTARY, AND
28 PERIODIC CONTRIBUTIONS WITHHELD BY THE EMPLOYER WERE RECEIVED BY THE
29 AFFILIATED ENTITY OR THE POLITICAL ACTION COMMITTEE, OR BOTH;

30 (V) THE AMOUNT OF EACH CONTRIBUTION WITHHELD FROM AN
31 EMPLOYEE MEMBER'S PAYROLL CHECK; AND

32 (VI) THE DISPOSITION OF THE AMOUNTS WITHHELD.

33 (c) (1) An employer may not accumulate the contributions withheld in
34 accordance with [this] subsection (A)(1) OF THIS SECTION for more than 3 months
35 before the employer shall transfer the accumulated contributions to a treasurer or
36 subtreasurer, in their official capacity, of a candidate or a political committee,

1 INCLUDING A POLITICAL ACTION COMMITTEE AFFILIATED WITH THE EMPLOYER,
2 together with the information recorded in accordance with the provisions of
3 subsection [(b)] (B)(2) of this section.

4 (2) (I) AN EMPLOYER MAY NOT ACCUMULATE THE CONTRIBUTIONS
5 WITHHELD IN ACCORDANCE WITH SUBSECTION (A)(2) OF THIS SECTION FOR MORE
6 THAN 3 MONTHS BEFORE THE EMPLOYER SHALL TRANSFER THE ACCUMULATED
7 CONTRIBUTIONS TO EITHER THE TREASURER OR THE SUBTREASURER, IN THEIR
8 OFFICIAL CAPACITY, OF THE POLITICAL ACTION COMMITTEE, OR TO THE AFFILIATED
9 ENTITY, TOGETHER WITH:

10 1. THE INFORMATION RECORDED IN ACCORDANCE WITH
11 THE PROVISIONS OF SUBSECTION (B)(2)(I) AND (II) OF THIS SECTION; AND

12 2. AT THE EMPLOYER'S DISCRETION, THE INFORMATION
13 RECORDED IN ACCORDANCE WITH THE PROVISIONS OF SUBSECTION (B)(2)(III)
14 THROUGH (V) OF THIS SECTION.

15 (II) AN AFFILIATED ENTITY THAT RECEIVES THE ACCUMULATED
16 CONTRIBUTIONS OF EMPLOYEES FROM AN EMPLOYER UNDER THIS SUBSECTION
17 MAY NOT HOLD THE CONTRIBUTIONS FOR MORE THAN 30 DAYS BEFORE THE
18 AFFILIATED ENTITY TRANSFERS THE ACCUMULATED CONTRIBUTIONS TO THE
19 TREASURER OR SUBTREASURER OF THE POLITICAL ACTION COMMITTEE, TOGETHER
20 WITH:

21 1. THE INFORMATION RECORDED BY AND RECEIVED FROM
22 THE EMPLOYER UNDER SUBSECTION (B)(2)(I) AND (II) OF THIS SECTION; AND

23 2. THE INFORMATION RECORDED IN ACCORDANCE WITH
24 THE PROVISIONS OF SUBSECTION (B)(2)(III) THROUGH (V) OF THIS SECTION.

25 (III) A POLITICAL ACTION COMMITTEE THAT RECEIVES
26 ACCUMULATED CONTRIBUTIONS THAT WERE MADE UNDER SUBSECTION (A)(2) OF
27 THIS SECTION SHALL KEEP AND MAINTAIN DETAILED, FULL, AND ACCURATE
28 RECORDS OF THE INFORMATION RECEIVED FROM THE EMPLOYER OR ITS
29 AFFILIATED ENTITY, OR BOTH, TOGETHER WITH THE INFORMATION RECORDED BY
30 THE POLITICAL ACTION COMMITTEE IN ACCORDANCE WITH THE PROVISIONS OF
31 SUBSECTION (B)(2) OF THIS SECTION.

32 (d) In soliciting an employee for any contribution by means of a payroll
33 deduction, an employer OR A POLITICAL COMMITTEE, INCLUDING A POLITICAL
34 ACTION COMMITTEE, shall inform the employee:

35 (1) Of the political purposes of the account OR POLITICAL ACTION
36 COMMITTEE; and

37 (2) Of the employee's right to refuse to contribute to the account OR
38 POLITICAL ACTION COMMITTEE without reprisal.

1 (e) For purposes of a payroll deduction for any contribution, an employer may
2 not receive, accumulate, transfer, or utilize money or anything of value secured by:

- 3 (1) Physical force;
- 4 (2) Job discrimination;
- 5 (3) Financial reprisals;
- 6 (4) The threat of force, job discrimination, or financial reprisal;
- 7 (5) Money obtained in any commercial transaction; or
- 8 (6) Dues, fees, or other money required as a condition of:
 - 9 (i) Membership in a labor organization; or
 - 10 (ii) Employment.

11 13-211.1.

12 (A) A POLITICAL ACTION COMMITTEE MAY HAVE THE COMBINED VOLUNTARY
13 CONTRIBUTIONS BY MEMBERS OF AN AFFILIATED ENTITY ~~OR GROUP~~ COLLECTED
14 AND ACCUMULATED BY THE AFFILIATED ENTITY ~~OR GROUP~~ IN CONJUNCTION WITH:

15 (1) THE RECEIPT OF MEMBERSHIP DUES INVOICED AND COLLECTED BY
16 THE AFFILIATED ENTITY ~~OR GROUP~~ ON A PERIODIC BASIS; OR

17 (2) VOLUNTARY CONTRIBUTIONS MADE TO A POLITICAL ACTION
18 COMMITTEE ESTABLISHED PURSUANT TO FEDERAL LAW, IF THAT POLITICAL ACTION
19 COMMITTEE IS ALSO AFFILIATED WITH THE ENTITY ~~OR GROUP~~ COLLECTING AND
20 ACCUMULATING THE CONTRIBUTIONS.

21 (B) AN AFFILIATED ENTITY ~~OR GROUP~~ SHALL KEEP AND MAINTAIN
22 DETAILED, FULL, AND ACCURATE RECORDS OF ALL CONTRIBUTIONS MADE UNDER
23 SUBSECTION (A) OF THIS SECTION, INCLUDING:

- 24 (1) THE NAMES OF THE INDIVIDUAL CONTRIBUTORS;
- 25 (2) THE DAY ON WHICH EACH CONTRIBUTION WAS RECEIVED;
- 26 (3) THE AMOUNT OF EACH CONTRIBUTION RECEIVED; AND
- 27 (4) THE DISPOSITION OF THE AMOUNTS HELD.

28 (C) AN AFFILIATED ENTITY ~~OR GROUP~~ MAY NOT ACCUMULATE THE
29 CONTRIBUTIONS RECEIVED IN ACCORDANCE WITH THIS SECTION FOR MORE THAN
30 30 DAYS BEFORE THE AFFILIATED ENTITY ~~OR GROUP~~ SHALL TRANSFER THE
31 ACCUMULATED CONTRIBUTIONS TO A TREASURER OR SUBTREASURER, IN THEIR
32 OFFICIAL CAPACITY, OF THE POLITICAL ACTION COMMITTEE, TOGETHER WITH THE
33 INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.

1 (D) IN SOLICITING A MEMBER FOR A CONTRIBUTION BY MEANS OF A JOINT
2 INVOICE FOR MEMBERSHIP DUES, OR FOR CONTRIBUTIONS TO A POLITICAL ACTION
3 COMMITTEE ESTABLISHED UNDER FEDERAL LAW, AN AFFILIATED ENTITY ~~OR GROUP~~
4 SHALL INFORM THE MEMBER:

5 (1) OF THE POLITICAL PURPOSES OF THE POLITICAL ACTION
6 COMMITTEE; AND

7 (2) OF THE MEMBER'S RIGHT TO REFUSE TO CONTRIBUTE TO THE
8 ~~ACCOUNT~~ POLITICAL ACTION COMMITTEE WITHOUT REPRISAL.

9 (E) FOR PURPOSES OF ANY CONTRIBUTION AUTHORIZED UNDER THIS
10 SECTION, A POLITICAL ACTION COMMITTEE ~~AND OR~~ AN AFFILIATED ENTITY OR
11 ~~GROUP~~ MAY NOT RECEIVE, ACCUMULATE, TRANSFER, OR UTILIZE MONEY OR
12 ANYTHING OF VALUE SECURED BY:

13 (1) PHYSICAL FORCE;

14 (2) MEMBERSHIP DISCRIMINATION;

15 (3) FINANCIAL OR PROFESSIONAL REPRISALS;

16 (4) THE THREAT OF FORCE, MEMBERSHIP DISCRIMINATION, OR
17 FINANCIAL OR PROFESSIONAL REPRISALS; OR

18 (5) DUES, FEES, OR OTHER MONEY REQUIRED AS A CONDITION OF
19 MEMBERSHIP.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 2001.