

HOUSE BILL 1042

G1

71r2104

By: **Delegates Vallario, Ivey, Ali, Anderson, Barnes, Bartlett, Benson, Bohanan, Branch, Braveboy, Bronrott, Burns, Cane, Carter, Conaway, Davis, Donoghue, Doory, Dumais, Dwyer, Elmore, Feldman, Frush, Gilchrist, Griffith, Gutierrez, Hammen, Hecht, Hixson, Howard, Hubbard, Hucker, Jameson, Jennings, Kelly, J. King, N. King, Kipke, Kirk, Krebs, Krysiak, Kullen, Lawton, Lee, Levi, Levy, Manno, McIntosh, Montgomery, Murphy, Myers, Nathan-Pulliam, Niemann, Oaks, Pena-Melnyk, Proctor, Ramirez, Rice, Rosenberg, Ross, Shank, Shewell, Simmons, Smigiel, Stifler, Stocksdale, Stukes, Tarrant, Taylor, F. Turner, Valderrama, Vaughn, Walker, Weldon, and Wood**

Introduced and read first time: February 9, 2007

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 21, 2007

CHAPTER _____

1 AN ACT concerning

2 **Election Law - Campaign Finance - Period Reporting Requirements**

3 FOR the purpose of authorizing a campaign finance entity, instead of filing a
4 campaign finance report covering a certain period, to file an affidavit stating
5 that the campaign finance entity did not either raise a certain amount of
6 contributions or make a certain amount of expenditures during a certain period;
7 requiring a campaign finance entity to file an affidavit by certain dates;
8 establishing a reporting procedure to be followed if the campaign finance entity
9 raises or expends a certain amount; clarifying that a campaign finance entity
10 that files a certain affidavit is still subject to a certain reporting requirement;
11 establishing a penalty for officers of a campaign finance entity violating this

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Act; making certain stylistic changes; and generally relating to the organization
2 and reporting of campaign finance entities.

3 BY repealing and reenacting, without amendments,
4 Article – Election Law
5 Section 13–208(b) and (c), 13–304(a), 13–309, and 13–312
6 Annotated Code of Maryland
7 (2003 Volume and 2006 Supplement)

8 BY repealing and reenacting, with amendments,
9 Article – Election Law
10 Section 13–305
11 Annotated Code of Maryland
12 (2003 Volume and 2006 Supplement)

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

15 **Article – Election Law**

16 13–208.

17 (b) A political committee shall provide, with the filing required by §
18 13–207(c) of this subtitle, a statement of organization that includes its name and a
19 statement of purpose.

20 (c) The statement of purpose shall specify:

21 (1) each candidate or ballot question, if any, that the political
22 committee was formed to promote or defeat;

23 (2) the identity of each special interest, including any business or
24 occupation, that the organizers of or contributors to the political committee have in
25 common; and

26 (3) whether the political committee will participate in presidential,
27 gubernatorial, Baltimore City, or multiple elections.

28 13–304.

29 (a) From the date of its organization until its termination under the
30 provisions of this title, a campaign finance entity, except a political club, shall file a

1 campaign finance report at the times, for the periods, and at the locations required by
2 §§ 13-309, 13-312, and 13-316 of this subtitle.

3 13-305.

4 (a) Subject to subsection (b) of this section, a candidate's authorized political
5 committee is not required to file the campaign finance reports [prescribed by]
6 **REQUIRED UNDER § 13-304** of this subtitle if the responsible officers file an affidavit:

7 (1) on or before the day when the first campaign finance report is due;
8 and

9 (2) stating that the campaign finance entity does not intend either to
10 raise contributions in the cumulative amount of \$1,000 or more or, exclusive of the
11 filing fee, make expenditures in the cumulative amount of \$1,000 or more.

12 (b) If the campaign finance entity receives cumulative contributions of
13 \$1,000 or more or makes cumulative expenditures of \$1,000 or more, the campaign
14 finance entity shall file all subsequent campaign finance reports [prescribed by]
15 **REQUIRED UNDER** this subtitle.

16 (c) (1) **NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, AND**
17 **SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE RESPONSIBLE OFFICERS**
18 **OF A CANDIDATE'S AUTHORIZED POLITICAL COMMITTEE MAY FILE AN**
19 **AFFIDAVIT, INSTEAD OF THE CAMPAIGN FINANCE ~~REPORT~~ REPORTS FOR THAT**
20 **THE PERIOD REQUIRED UNDER § 13-309(A) OF THIS SUBTITLE FOR AN**
21 **ELECTION IN WHICH THE POLITICAL COMMITTEE DESIGNATES IT WILL**
22 **PARTICIPATE, IF THE AFFIDAVIT:**

23 (I) **IS FILED ON OR BEFORE THE DAY WHEN THE CAMPAIGN**
24 **FINANCE REPORT IS DUE; AND**

25 (II) **STATES THAT THE CAMPAIGN FINANCE ENTITY DID NOT**
26 **RAISE CONTRIBUTIONS IN THE CUMULATIVE AMOUNT OF \$1,000 OR MORE OR,**
27 **EXCLUSIVE OF THE FILING FEE, MAKE EXPENDITURES IN THE CUMULATIVE**
28 **AMOUNT OF \$1,000 OR MORE FOR THE PERIOD.**

29 (2) (I) **SO LONG AS THE CAMPAIGN FINANCE ENTITY DOES NOT**
30 **RECEIVE CUMULATIVE CONTRIBUTIONS OF \$1,000 OR MORE OR MAKE**
31 **CUMULATIVE EXPENDITURES OF \$1,000 OR MORE DURING ANY REPORTING**
32 **PERIOD:**

1 **1. THE AFFIDAVIT FILED UNDER PARAGRAPH (1) OF**
 2 **THIS SUBSECTION REMAINS IN EFFECT; AND**

3 **2. ~~EXCEPT AS PROVIDED IN SUBPARAGRAPH (H) OF~~**
 4 **~~THIS PARAGRAPH,~~ THE CAMPAIGN FINANCE ENTITY IS NOT REQUIRED TO FILE A**
 5 **CAMPAIGN FINANCE REPORT REQUIRED UNDER § 13-309(A) OF THIS SUBTITLE.**

6 **(II) ~~WHEN THE CAMPAIGN ACCOUNT IS CLOSED, THE~~**
 7 **~~CAMPAIGN FINANCE ENTITY SHALL REPORT ALL CONTRIBUTIONS RECEIVED~~**
 8 **~~AND EXPENDITURES MADE SINCE THE LAST CAMPAIGN FINANCE REPORT FILED~~**
 9 **~~BY THE ENTITY~~ A CAMPAIGN FINANCE ENTITY SUBJECT TO THIS PARAGRAPH**
 10 **SHALL FILE THE ANNUAL CAMPAIGN FINANCE REPORT REQUIRED UNDER §**
 11 **13-309(B) OF THIS SUBTITLE.**

12 **(D) ~~(1)~~ AFTER FILING AN AFFIDAVIT UNDER SUBSECTION (C)(1) OF**
 13 **THIS SECTION, IF THE CAMPAIGN FINANCE ENTITY RECEIVES CUMULATIVE**
 14 **CONTRIBUTIONS OF \$1,000 OR MORE OR MAKES CUMULATIVE EXPENDITURES**
 15 **OF \$1,000 OR MORE IN A PERIOD, THE CAMPAIGN FINANCE ENTITY SHALL FILE**
 16 **A CAMPAIGN FINANCE REPORT FOR THAT PERIOD AS REQUIRED UNDER §**
 17 **13-309 OF THIS SUBTITLE ON OR BEFORE THE DAY THAT THE CAMPAIGN**
 18 **FINANCE REPORT IS DUE.**

19 **~~(2) THE CAMPAIGN FINANCE ENTITY SHALL INCLUDE ON THE~~**
 20 **~~CAMPAIGN FINANCE REPORT FILED UNDER PARAGRAPH (1) OF THIS~~**
 21 **~~SUBSECTION ALL CONTRIBUTIONS AND EXPENDITURES RECEIVED BY THE~~**
 22 **~~CAMPAIGN FINANCE ENTITY FOR ANY PERIOD COVERED BY AN AFFIDAVIT FILED~~**
 23 **~~BY THE CAMPAIGN FINANCE ENTITY UNDER SUBSECTION (C) OF THIS SECTION.~~**

24 **[(c)] (E)** A violation of [subsection] **SUBSECTIONS (b) OR (D)** of this section
 25 constitutes a failure to file by the campaign finance entity, and the responsible officers
 26 are guilty of a misdemeanor and on conviction are subject to the penalties prescribed
 27 under Part VII of this title.

28 13-309.

29 (a) Subject to other provisions of this subtitle, a campaign finance entity
 30 shall file campaign finance reports as follows:

31 (1) except for a ballot issue committee, on or before the fourth Tuesday
 32 immediately preceding a primary election;

1 (2) except for a ballot issue committee, on or before the second Friday
2 immediately preceding a primary election;

3 (3) on or before the second Friday immediately preceding a general
4 election; and

5 (4) on or before the third Tuesday after a general election.

6 (b) (1) A campaign finance entity is subject to subsection (a) of this
7 section and this subsection only as to the election in which the entity designates that it
8 will participate.

9 (2) In addition to the campaign finance reports required under
10 subsection (a) of this section, but subject to paragraph (4) of this subsection, a
11 campaign finance entity shall file campaign finance reports on the third Wednesday in
12 January.

13 (3) (i) If subsequent to the filing of its declaration under §
14 13–208(c)(3) of this title, a campaign finance entity participates in an election in which
15 it was not designated to participate, the campaign finance entity shall file all
16 campaign reports prescribed under subsection (a) of this section for that election.

17 (ii) A violation of subparagraph (i) of this paragraph constitutes
18 a failure to file by the campaign finance entity, and the responsible officer is guilty of a
19 misdemeanor and on conviction is subject to the penalties prescribed under Part VII of
20 this subtitle.

21 (4) If a campaign finance entity has neither a cash balance nor an
22 outstanding obligation at the end of a reporting period, a campaign finance report for
23 that period, clearly marked as “final”, shall be filed on or before the due date, and no
24 further report is required.

25 (c) In addition to the campaign reports required under subsection (a) of this
26 section, a continuing political committee shall file a campaign finance report on the
27 third Wednesday in January of each year the committee is in existence.

28 13–312.

29 Campaign finance reports filed under § 13–304 of this subtitle shall cover the
30 following reporting periods:

1 (1) the first campaign finance report shall cover the period from the
2 date of organization of the campaign finance entity through the day specified in item
3 (3) of this section;

4 (2) each subsequent campaign finance report shall cover the period
5 from the closing date of the previous campaign finance report through the day
6 specified in item (3) of this section;

7 (3) (i) except as provided in item (ii) of this item, each campaign
8 finance report shall cover the period that includes the seventh day before the day the
9 campaign finance report is due; but

10 (ii) the campaign finance report that is required on or before the
11 second Friday immediately preceding an election shall cover the period through and
12 including the preceding Sunday; and

13 (4) if no contribution is received and no expenditure is made during
14 the period covered by a campaign finance report, the campaign finance entity shall file
15 a campaign finance report to that effect.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.