

HOUSE BILL 70

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(PRE-FILED)

By: **Delegate Cardin**

Requested: November 8, 2013

Introduced and read first time: January 8, 2014

Assigned to: Ways and Means

A BILL ENTITLED

AN ACT concerning

Public Funding and Small Donor Act for General Assembly Elections

FOR the purpose of repealing the Public Financing Act for gubernatorial candidates; repealing certain provisions of law related to the authority of a governing body of a county to establish, by law, a system of public campaign financing for certain elective offices; authorizing the governing body of a county to enact laws to regulate public campaign finance activity for certain county elective offices and certain candidates for election to those offices; specifying certain provisions and limitations applicable to any county laws enacted to regulate public campaign finance activity; establishing a system of public financing of campaigns for certain General Assembly candidates; requiring the State Board of Elections to administer the system of public financing for General Assembly candidates; specifying certain powers and duties of the State Board; creating the Public Election Fund and providing for the inclusion of certain money in the Fund; transferring the money in the Fair Campaign Financing Fund for gubernatorial candidates to the Public Election Fund; defining certain terms; specifying certain procedures, requirements, and conditions participating candidates must meet to receive a distribution from the Public Election Fund; requiring that participating candidates adhere to certain campaign expenditure limits; authorizing participating candidates to raise certain supplemental private contributions under certain circumstances; requiring the Comptroller to perform certain duties in connection with the establishment, maintenance, and administration of the Public Election Fund; prohibiting a participating candidate from being a member of a slate; prohibiting a participating candidate from accepting a contribution from a political party; requiring a participating candidate who opts out of public financing to repay the full amount of the public contribution received by the candidate and pay a certain penalty; providing for judicial review of certain actions by the State Board, subject to a certain exception; providing for certain penalties; providing that certain captions are not law and may not be considered to have been enacted as part of this Act;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



requiring the State Board to adopt certain regulations; making provisions of this Act severable; creating a Commission to Study Public Financing of Elections in Maryland; providing for the membership, duties, and staffing of the Commission; requiring the Commission to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; requiring the State Board to provide certain reports to certain persons on or before certain dates on certain matters; providing for a delayed effective date for certain provisions of this Act; providing for the termination of certain provisions of this Act; and generally relating to the Public Funding and Small Donor Act for General Assembly Elections.

BY repealing

Article – Election Law

Section 15–101 through 15–111 and the title “Title 15. Public Financing Act”

Annotated Code of Maryland

(2010 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,

Article – Election Law

Section 13–235

Annotated Code of Maryland

(2010 Replacement Volume and 2013 Supplement)

BY repealing

Article – Election Law

Section 13–505

Annotated Code of Maryland

(2010 Replacement Volume and 2013 Supplement)

(As enacted by Chapter 419 of the Acts of the General Assembly of 2013)

BY adding to

Article – Election Law

Section 13–505; and 15–101 through 15–118 to be under the new title “Title 15.

Public Funding and Small Donor Act for General Assembly Elections”

Annotated Code of Maryland

(2010 Replacement Volume and 2013 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 15–101 through 15–111 and the title “Title 15. Public Financing Act” of Article – Election Law of the Annotated Code of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Election Law

13-235.

(a) This section applies to the following officials:

- (1) the Governor;
- (2) the Lieutenant Governor;
- (3) the Attorney General;
- (4) the Comptroller; and
- (5) a member of the General Assembly.

(b) Except as provided in subsection (c), (d), or (e) of this section, during a regular session of the General Assembly an official described in subsection (a) of this section, or a person acting on behalf of the official, may not, as to a candidate for federal, State, or local office, or a campaign finance entity of the candidate or any other campaign finance entity organized under this title and operated in coordination with a candidate:

- (1) receive a contribution;
- (2) conduct a fund-raising event;
- (3) solicit or sell a ticket to a fund-raising event; or
- (4) deposit or use any contribution of money that was not deposited prior to the session.

(c) An official described in subsection (a) of this section, or a person acting on behalf of the official, is not subject to this section when engaged in activities solely related to the official's election to an elective federal or local office for which the official is a filed candidate.

(d) **[Under the Public Financing Act, a gubernatorial ticket, during the year of the election only, may accept eligible private contributions and any disbursement of funds by the State Board that is based on the eligible private contributions] UNDER THE PUBLIC FUNDING AND SMALL DONOR ACT FOR GENERAL ASSEMBLY ELECTIONS, A PARTICIPATING CANDIDATE, DURING THE YEAR OF THE ELECTION ONLY, MAY ACCEPT SEED MONEY AND QUALIFYING CONTRIBUTIONS AND ANY DISBURSEMENT OF FUNDS BY THE STATE BOARD THAT ARE BASED ON THE QUALIFYING CONTRIBUTIONS.**

(e) An official described in subsection (a) of this section, or a person acting on behalf of the official, may deposit a contribution during the legislative session if the contribution was made electronically before the start of the session.

(f) (1) As to a violation of this section, the campaign finance entity of the official in violation is liable for a civil penalty as provided in this subsection.

(2) The State Board, represented by the State Prosecutor, may institute a civil action in the circuit court for any county seeking the civil penalty provided in this subsection.

(3) A campaign finance entity that receives a contribution as a result of the violation shall:

(i) refund the contribution to the contributor; and

(ii) pay a civil penalty that equals the sum of \$1,000 plus the amount of the contribution.

[13-505.

(a) (1) Subject to the provisions of this section, the governing body of a county may establish, by law, a system of public campaign financing for elective offices in the executive or legislative branches of county government.

(2) When establishing a system of public campaign financing for elective offices in the executive or legislative branches of county government, the governing body of a county shall specify the criteria that is to be used to determine whether an individual is eligible for public campaign financing.

(b) A system of public campaign financing enacted under subsection (a) of this section:

(1) shall provide for participation of candidates in public campaign financing on a strictly voluntary basis;

(2) may not regulate candidates who choose not to participate in public campaign financing;

(3) shall prohibit the use of public campaign financing for any campaign except a campaign for county elective office;

(4) shall require a candidate who accepts public campaign financing to:

(i) establish a campaign finance entity solely for the campaign for county elective office; and

(ii) use funds from that campaign finance entity only for the campaign for county elective office;

(5) shall prohibit a candidate who accepts public campaign financing from transferring funds:

(i) to the campaign finance entity established to finance the campaign for county elective office from any other campaign finance entity established for the candidate; and

(ii) from the campaign finance entity established to finance the campaign for county elective office to any other campaign finance entity;

(6) shall provide for a public election fund for county elective offices that is administered by the chief financial officer of the county; and

(7) shall be subject to regulation and oversight by the State Board to ensure conformity with State law and policy to the extent practicable.

(c) A system of public campaign financing enacted under subsection (a) of this section may:

(1) provide for more stringent regulation of campaign finance activity by candidates who choose to accept public campaign financing, including contributions, expenditures, reporting, and campaign material, than is provided for by State law; and

(2) provide for administrative penalties for violations, in accordance with Article 25A, § 5 of the Code.]

13-505. REGULATION OF LOCAL CAMPAIGN FINANCE ACTIVITY.

(A) SUBJECT TO THE PROVISIONS OF THIS SECTION, THE GOVERNING BODY OF A COUNTY MAY ENACT LAWS TO REGULATE PUBLIC CAMPAIGN FINANCE ACTIVITY FOR COUNTY ELECTIVE OFFICES AND CANDIDATES FOR ELECTION TO THOSE OFFICES WHO CHOOSE TO ACCEPT PUBLIC CAMPAIGN FINANCING.

(B) A LAW ENACTED UNDER SUBSECTION (A) OF THIS SECTION MAY NOT REGULATE COUNTY ELECTIVE OFFICES OR CANDIDATES FOR ELECTION TO THOSE OFFICES WHO DO NOT RECEIVE ANY PUBLIC CAMPAIGN FINANCING.

(C) A LAW ENACTED UNDER SUBSECTION (A) OF THIS SECTION SHALL:

(1) PROHIBIT THE USE OF PUBLIC CAMPAIGN FINANCING FOR ANY ELECTION OTHER THAN THAT OF A COUNTY ELECTIVE OFFICE;

(2) REQUIRE A CANDIDATE WHO ACCEPTS PUBLIC CAMPAIGN FINANCING TO:

(I) ESTABLISH A CAMPAIGN FINANCE ENTITY SOLELY FOR THE CAMPAIGN FOR THAT COUNTY ELECTIVE OFFICE; AND

(II) USE FUNDS FROM THAT CAMPAIGN FINANCE ENTITY ONLY FOR THAT CAMPAIGN FOR COUNTY ELECTIVE OFFICE; AND

(3) PROHIBIT THE TRANSFER OF FUNDS INTO THE CAMPAIGN FINANCE ENTITY ESTABLISHED FOR THE COUNTY ELECTIVE OFFICE BY A CANDIDATE WHO ACCEPTS PUBLIC CAMPAIGN FINANCING FROM ANY OTHER CAMPAIGN FINANCE ENTITY PREVIOUSLY ESTABLISHED FOR THAT CANDIDATE.

(D) A LAW ENACTED UNDER SUBSECTION (A) OF THIS SECTION SHALL:

(1) PROVIDE FOR A PUBLIC ELECTION FUND FOR COUNTY ELECTIVE OFFICES ADMINISTERED BY THE CHIEF FINANCIAL OFFICER OF THE COUNTY; AND

(2) REQUIRE THAT THE SYSTEM FOR PUBLIC CAMPAIGN FINANCE ACTIVITY FOR COUNTY ELECTIVE OFFICES BE REGULATED IN ACCORDANCE WITH STATE LAW BY THE STATE BOARD.

(E) A LAW ENACTED UNDER SUBSECTION (A) OF THIS SECTION MAY:

(1) ESTABLISH A SYSTEM OF PUBLIC CAMPAIGN FINANCING; AND

(2) INCLUDE PROVISIONS RELATING TO CONTRIBUTIONS, EXPENDITURES, REPORTING, CAMPAIGN MATERIAL, AND, AS PROVIDED UNDER § 10-202 OF THE LOCAL GOVERNMENT ARTICLE, ADMINISTRATIVE PENALTIES.

(F) A LAW ENACTED UNDER SUBSECTION (A) OF THIS SECTION:

(1) MAY BE MORE STRINGENT THAN ANY APPLICABLE LAW OF THE STATE AND MODIFIED TO THE EXTENT NECESSARY TO MAKE THE PROVISIONS RELEVANT TO THE COUNTY; BUT

(2) MAY NOT CONFLICT WITH ANY APPLICABLE LAW OF THE STATE OR THE UNITED STATES.

TITLE 15. PUBLIC FUNDING AND SMALL DONOR ACT FOR GENERAL ASSEMBLY ELECTIONS.

15-101. DEFINITIONS.

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED UNLESS OTHERWISE PROVIDED.

(B) “COMPTROLLER” MEANS THE STATE COMPTROLLER OF THE TREASURY.

(C) “FUND” MEANS THE PUBLIC ELECTION FUND.

(D) “PARTICIPATING CANDIDATE” MEANS A CANDIDATE FOR ELECTION AS A MEMBER OF THE GENERAL ASSEMBLY WHO IS DETERMINED BY THE STATE BOARD AS ELIGIBLE TO RECEIVE A PUBLIC CONTRIBUTION UNDER THIS TITLE.

(E) “PUBLIC CONTRIBUTION” MEANS A SUM DISBURSED FROM THE FUND TO A PARTICIPATING CANDIDATE IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE.

(F) “QUALIFYING CONTRIBUTION” MEANS A CONTRIBUTION THAT:

(1) IS FROM A REGISTERED VOTER WHO RESIDES IN THE LEGISLATIVE DISTRICT OR SUBDISTRICT OF THE CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY; AND

(2) IS AT LEAST \$5.

(G) “SEED MONEY” MEANS LAWFUL CONTRIBUTIONS THAT:

(1) ARE RAISED BY A CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY AS A FIRST STEP TO SEEK QUALIFICATION FOR PUBLIC FINANCING UNDER THIS TITLE;

(2) INCLUDE NO CONTRIBUTION OF MORE THAN \$250 FOR EACH DONOR; AND

(3) ARE RECEIVED NO EARLIER THAN THE COMMENCEMENT OF THE ELECTION CYCLE FOR THE ELECTION IN WHICH THE INDIVIDUAL PROPOSES TO BE A CANDIDATE AND NO LATER THAN THE MARCH 1 IMMEDIATELY PRECEDING THE PRIMARY ELECTION FOR THAT OFFICE.

15-102. DUTIES.

(A) THE STATE BOARD SHALL MANAGE AND SUPERVISE THE SYSTEM OF PUBLIC FINANCING OF ELECTIONS ESTABLISHED UNDER THIS TITLE.

(B) THE STATE BOARD SHALL ADOPT REGULATIONS AS NECESSARY TO EFFECT THE PURPOSES OF THIS TITLE.

(C) THE STATE BOARD SHALL:

(1) ENSURE THAT THE SYSTEM OF PUBLIC FINANCING OF ELECTIONS:

(I) ACCOMMODATES QUALIFYING CANDIDATES ON A FIRST-COME, FIRST-SERVED BASIS;

(II) ESTABLISHES AN INITIAL LIMIT ON THE NUMBER OF PARTICIPATING CANDIDATES DURING AN ELECTION CYCLE; AND

(III) ALLOWS FOR AN INCREASE OR DECREASE IN THE NUMBER OF PARTICIPATING CANDIDATES DURING THE ELECTION CYCLE IN CORRELATION TO THE AMOUNT OF MONEY IN THE FUND;

(2) DEVELOP AN ELECTRONIC DATABASE THAT IS ACCESSIBLE TO THE PUBLIC ON THE INTERNET AND THAT CONTAINS THE INFORMATION NECESSARY FOR THE PROPER ADMINISTRATION OF THIS TITLE, INCLUDING:

(I) CONTRIBUTIONS TO AND EXPENDITURES BY PARTICIPATING CANDIDATES AND OTHER CANDIDATES AND THEIR AUTHORIZED CAMPAIGN FINANCE ENTITIES; AND

(II) PUBLIC CONTRIBUTIONS FROM THE FUND THAT ARE DISBURSED TO PARTICIPATING CANDIDATES;

(3) PROVIDE FORMS AND ELECTRONIC SOFTWARE AS NECESSARY TO ENSURE COMPLIANCE WITH THIS TITLE;

(4) DEVELOP AN EDUCATION PROGRAM THAT INCLUDES INFORMATIONAL MATERIALS AND COMPLIANCE MANUALS TO INFORM CANDIDATES AND THE PUBLIC ABOUT THE PURPOSE AND EFFECT OF THIS TITLE; AND

(5) PROVIDE A WRITTEN REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, AFTER EACH ELECTION CYCLE THAT INCLUDES:

(I) AN EVALUATION OF THIS TITLE AND ITS EFFECT ON PARTICIPATING CANDIDATES;

(II) ANY RECOMMENDATIONS TO IMPROVE THIS TITLE;

(III) A DETAILED SUMMARY REGARDING QUALIFYING CONTRIBUTIONS AND ANY BENEFITS RECEIVED OR EXPERIENCED BY PARTICIPATING CANDIDATES;

(IV) EXPENDITURES MADE BY PARTICIPATING AND NONPARTICIPATING CANDIDATES; AND

(V) ANY OTHER INFORMATION THE STATE BOARD DETERMINES TO BE APPROPRIATE.

15-103. DISCRETIONARY POWERS.

THE STATE BOARD MAY:

(1) EMPLOY STAFF, INCLUDING LEGAL COUNSEL, SUFFICIENT TO PERFORM ITS FUNCTIONS UNDER THIS TITLE;

(2) INVESTIGATE MATTERS GOVERNED BY THIS TITLE;

(3) PUBLICIZE THE NAMES OF CANDIDATES FOR NOMINATION OR ELECTION TO A LEGISLATIVE OFFICE WHO VIOLATE THIS TITLE;

(4) ON WRITTEN REQUEST OF A CANDIDATE, A CAMPAIGN FINANCE ENTITY, OR THE PUBLIC, RENDER A WRITTEN PUBLIC ADVISORY OPINION REGARDING QUESTIONS THAT ARISE UNDER THIS TITLE;

(5) CONDUCT RANDOM AUDITS OF PARTICIPATING CANDIDATES TO ENSURE COMPLIANCE WITH THIS TITLE;

(6) SUBPOENA DOCUMENTS FROM ANY CANDIDATE OR CAMPAIGN FINANCE ENTITY SUBJECT TO THIS ARTICLE;

(7) LEVY FINES FOR CIVIL INFRACTIONS IN ACCORDANCE WITH THIS TITLE;

(8) BE A PARTY TO OR OTHERWISE PARTICIPATE IN ANY CIVIL OR CRIMINAL ACTION FILED FOR A VIOLATION OF THIS TITLE; AND

(9) SEEK AN INJUNCTION IN AN APPROPRIATE COURT IF:

(I) THERE IS A SUBSTANTIAL LIKELIHOOD THAT A VIOLATION OF THIS TITLE IS OCCURRING OR IS ABOUT TO OCCUR;

(II) FAILURE TO ACT IN AN EXPEDITIOUS MANNER WILL RESULT IN IRREPARABLE HARM TO A PARTY AFFECTED BY THE POTENTIAL VIOLATION;

(III) EXPEDITIOUS ACTION WILL NOT CAUSE UNDUE HARM OR PREJUDICE TO THE INTEREST OF ANY OTHER PERSON; AND

(IV) THE PUBLIC INTEREST WILL BE BEST SERVED BY THE ISSUANCE OF THE INJUNCTION.

15-104. THE FUND.

(A) (1) THERE IS A PUBLIC ELECTION FUND.

(2) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(3) THE FUND SHALL BE USED TO:

(I) PROVIDE, BEGINNING WITH THE ELECTION CYCLE THAT BEGINS ON JANUARY 1, 2015, PUBLIC FINANCING FOR THE ELECTION CAMPAIGNS OF PARTICIPATING CANDIDATES IN A PRIMARY ELECTION OR GENERAL ELECTION; AND

(II) PAY FOR THE ADMINISTRATIVE AND ENFORCEMENT COSTS OF THE STATE BOARD RELATED TO THIS TITLE.

(4) THE COMPTROLLER SHALL:

(I) ADMINISTER THE FUND IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE; AND

(II) CREDIT TO THE FUND ALL MONEY COLLECTED IN ACCORDANCE WITH THIS TITLE.

(B) TO SUPPORT A PILOT PROGRAM FOR THE ELECTION CYCLE THAT BEGINS ON JANUARY 1, 2015, AND ENDS ON DECEMBER 31, 2019, THE FUND SHALL CONSIST OF THE FOLLOWING MONEY:

(1) UNSPENT SEED MONEY COLLECTED BY CANDIDATES WHO FAIL TO QUALIFY FOR PUBLIC FINANCING UNDER THIS TITLE;

(2) EXCESS SEED MONEY COLLECTED BY ANY CANDIDATE WHO SEEKS TO BECOME CERTIFIED AS A PARTICIPATING CANDIDATE, REGARDLESS OF WHETHER THE CANDIDATE BECOMES CERTIFIED;

(3) QUALIFYING CONTRIBUTIONS REQUIRED OF A CANDIDATE WHO SEEKS TO BECOME CERTIFIED AS A PARTICIPATING CANDIDATE, INCLUDING QUALIFYING CONTRIBUTIONS IN EXCESS OF THE AMOUNT PRESCRIBED UNDER § 15-106 OF THIS TITLE THAT ARE RAISED BY THE CANDIDATE;

(4) UNSPENT MONEY THAT:

(I) IS DISTRIBUTED TO A PARTICIPATING CANDIDATE WHO DOES NOT REMAIN A CANDIDATE UNTIL THE PRIMARY OR GENERAL ELECTION FOR WHICH THE MONEY WAS DISBURSED; OR

(II) IS RETAINED BY A PARTICIPATING CANDIDATE AFTER THE PRIMARY OR GENERAL ELECTION FOR WHICH THE MONEY WAS DISBURSED;

(5) FINES LEVIED BY THE STATE BOARD AGAINST CANDIDATES FOR VIOLATIONS OF THE ELECTION LAW;

(6) VOLUNTARY DONATIONS MADE DIRECTLY TO THE FUND;

(7) INTEREST GENERATED BY THE FUND;

(8) THE BALANCE OF THE MONEY ON JULY 1, 2014, AS CERTIFIED BY THE COMPTROLLER, THAT WAS TRANSFERRED FROM THE FAIR CAMPAIGN FINANCING FUND FOR GUBERNATORIAL CANDIDATES ON ITS TERMINATION ON JULY 1, 2014, AND PRESERVED AND MAINTAINED BY THE COMPTROLLER FOR THE PURPOSES OF THE PUBLIC ELECTION FUND; AND

(9) ANY MONEY PROVIDED IN THE ANNUAL STATE BUDGET FOR THE PURPOSES OF THIS TITLE.

(C) FOR THE ELECTION CYCLE THAT BEGINS ON JANUARY 1, 2019, AND EACH ELECTION CYCLE THEREAFTER, FUNDS FOR THE FUND SHALL BE AS PROVIDED IN THE STATE BUDGET.

15-105. SEED MONEY; PUBLICLY FUNDED CAMPAIGN ACCOUNT REQUIRED.

(A) A CANDIDATE WHO SEEKS TO QUALIFY FOR PUBLIC FINANCING UNDER THIS TITLE SHALL:

(1) FILE NOTICE OF THE CANDIDATE'S INTENT WITH THE STATE BOARD NO LATER THAN FEBRUARY 15 OF THE YEAR OF THE ELECTION ON THE FORM PRESCRIBED BY THE STATE BOARD; AND

(2) IN CONJUNCTION WITH THE STATE BOARD AND BEFORE RAISING SEED MONEY OR ANY OTHER CONTRIBUTION GOVERNED BY THIS TITLE, ESTABLISH A PUBLICLY FUNDED CAMPAIGN ACCOUNT FOR THE CANDIDATE FOR THE PURPOSE OF RECEIVING CONTRIBUTIONS AND MAKING EXPENDITURES IN ACCORDANCE WITH THE REQUIREMENTS OF THIS ARTICLE.

(B) A CANDIDATE WHO SEEKS TO QUALIFY FOR PUBLIC FINANCING UNDER THIS TITLE MAY ACCEPT SEED MONEY ONLY AS SPECIFIED IN THIS SECTION, INCLUDING:

(1) AGGREGATE SEED MONEY OF NO MORE THAN:

(I) \$3,500 FOR A CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND; OR

(II) \$3,500 FOR A CANDIDATE FOR ELECTION TO THE HOUSE OF DELEGATES; AND

(2) PERSONAL CONTRIBUTIONS FROM THE CANDIDATE AND FROM THE CANDIDATE'S SPOUSE OF NO MORE THAN \$500 EACH, WHETHER CONTRIBUTED AS SEED MONEY OR AS A QUALIFYING CONTRIBUTION.

(C) A CANDIDATE SHALL REMIT TO THE FUND ANY SEED MONEY RAISED BY THE CANDIDATE IN EXCESS OF:

(1) \$3,500, IF A CANDIDATE FOR THE SENATE OF MARYLAND; OR

(2) \$3,500, IF A CANDIDATE FOR THE HOUSE OF DELEGATES.

(D) A CANDIDATE WHO SEEKS TO BECOME A PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY MAY SPEND SEED MONEY, TO THE LIMIT ALLOWED UNDER THIS SECTION, DURING THE QUALIFYING CONTRIBUTIONS PERIOD.

15-106. QUALIFYING CONTRIBUTIONS FOR GENERAL ASSEMBLY CANDIDATES.

(A) TO QUALIFY AS A PARTICIPATING CANDIDATE AND BE ELIGIBLE FOR A PUBLIC CONTRIBUTION FROM THE FUND:

(1) A CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND SHALL COLLECT AT LEAST 350 QUALIFYING CONTRIBUTIONS; OR

(2) A CANDIDATE FOR ELECTION TO THE HOUSE OF DELEGATES SHALL COLLECT AT LEAST 350 QUALIFYING CONTRIBUTIONS.

(B) THE STATE BOARD SHALL ADOPT REGULATIONS THAT:

(1) SPECIFY HOW AND WHEN QUALIFYING CONTRIBUTIONS MUST BE SUBMITTED TO THE STATE BOARD; AND

(2) ALLOW FOR ANY CONTRIBUTION OR QUALIFYING CONTRIBUTION UNDER THIS SECTION TO BE MADE THROUGH THE INTERNET.

(C) A CANDIDATE WHO SEEKS TO BECOME A PARTICIPATING CANDIDATE SHALL DEPOSIT ALL QUALIFYING CONTRIBUTIONS RECEIVED IN THE CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT AND THEREAFTER DELIVER THE AMOUNT RECEIVED TO THE STATE BOARD FOR DEPOSIT IN THE FUND.

(D) A CONTRIBUTOR MAY MAKE A QUALIFYING CONTRIBUTION FOR A CANDIDATE BY CASH, CHECK, OR MONEY ORDER MADE PAYABLE TO THE FUND OR THROUGH THE INTERNET IN ACCORDANCE WITH THE REGULATIONS OF THE STATE BOARD.

(E) A CANDIDATE SHALL INCLUDE WITH EACH QUALIFYING CONTRIBUTION THAT THE CANDIDATE SUBMITS TO THE STATE BOARD FOR DEPOSIT IN THE FUND A RECEIPT THAT INCLUDES:

(1) THE PRINTED NAME OF THE CONTRIBUTOR;

(2) THE ADDRESS OF THE CONTRIBUTOR; AND

(3) A SIGNED STATEMENT BY WHICH THE CONTRIBUTOR ATTESTS THAT THE CONTRIBUTOR UNDERSTANDS THE PURPOSE OF THE CONTRIBUTION AND THAT THE CONTRIBUTION WAS MADE WITHOUT COERCION OR REIMBURSEMENT.

(F) A CANDIDATE MAY COLLECT QUALIFYING CONTRIBUTIONS ONLY DURING THE PERIOD THAT:

(1) BEGINS ON SEPTEMBER 1 IN THE YEAR PRECEDING THE PRIMARY ELECTION FOR THE OFFICE THE CANDIDATE SEEKS; AND

(2) ENDS ON THE DAY THAT IS 45 DAYS BEFORE THE DATE OF THE PRIMARY ELECTION FOR THE OFFICE THAT THE CANDIDATE SEEKS.

(G) A CANDIDATE MAY NOT ACCEPT A CONTRIBUTION FROM:

(1) A BUSINESS ENTITY;

(2) A POLITICAL PARTY;

(3) A REGULATED LOBBYIST;

(4) THE CAMPAIGN FINANCE ENTITY OF A CANDIDATE;

(5) A POLITICAL ACTION COMMITTEE; OR

(6) ANY OTHER POLITICAL COMMITTEE.

(H) A CANDIDATE WHO IS AN INCUMBENT MEMBER OF THE GENERAL ASSEMBLY WHO SEEKS TO QUALIFY FOR PUBLIC FINANCING UNDER THIS TITLE IS BOUND BY THE FUND-RAISING RESTRICTIONS SPECIFIED UNDER § 13-235 OF THIS ARTICLE.

(I) A CANDIDATE SHALL SATISFY ANY OTHER CONDITIONS GOVERNING QUALIFYING CONTRIBUTIONS PRESCRIBED UNDER REGULATIONS ADOPTED BY THE STATE BOARD.

15-107. QUALIFICATION OF CANDIDATE — DETERMINATION BY STATE BOARD.

(A) THE STATE BOARD SHALL REVIEW AND MAKE A DETERMINATION WHETHER TO CERTIFY A CANDIDATE AS A PARTICIPATING CANDIDATE NO LATER THAN 15 DAYS AFTER RECEIPT OF THE FOLLOWING INFORMATION FROM THE CANDIDATE:

(1) A DECLARATION THAT THE CANDIDATE WILL ABIDE BY THE REGULATIONS AND POLICIES PRESCRIBED BY THE STATE BOARD; AND

(2) A CAMPAIGN FINANCE REPORT THAT STATES, IN ADDITION TO THE LIST OF QUALIFYING CONTRIBUTIONS REQUIRED UNDER § 15-106 OF THIS TITLE:

(I) ALL EXPENDITURES MADE BY THE CANDIDATE DURING THE CAMPAIGN; AND

(II) ALL RECEIPTS ASSOCIATED WITH THOSE CONTRIBUTIONS AND EXPENDITURES.

(B) A CANDIDATE CERTIFIED BY THE STATE BOARD AS A PARTICIPATING CANDIDATE SHALL RECEIVE THE PUBLIC CONTRIBUTION SPECIFIED UNDER THIS TITLE FOR THAT LEGISLATIVE OFFICE.

(C) FOR ANY ELECTION, A CANDIDATE MAY SUBMIT AN APPLICATION TO THE STATE BOARD TO QUALIFY FOR PUBLIC FINANCING UNDER THIS TITLE ONLY ONCE.

(D) A DETERMINATION BY THE STATE BOARD AS TO WHETHER A CANDIDATE IS ELIGIBLE FOR PUBLIC FINANCING:

(1) IS FINAL; AND

(2) IS NOT SUBJECT TO JUDICIAL REVIEW.

15-108. DISTRIBUTION TO PARTICIPATING CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

(A) AFTER THE STATE BOARD DETERMINES THAT A CANDIDATE HAS SATISFIED THE REQUIREMENTS TO BECOME A PARTICIPATING CANDIDATE, THE STATE BOARD SHALL AUTHORIZE THE DISBURSEMENT OF A PUBLIC CONTRIBUTION FROM THE FUND TO THE PUBLICLY FUNDED CAMPAIGN ACCOUNT FOR THAT PARTICIPATING CANDIDATE IN ACCORDANCE WITH THE REQUIREMENTS OF THIS TITLE.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A PARTICIPATING CANDIDATE, OR A PERSON ACTING ON BEHALF OF THE PARTICIPATING CANDIDATE, MAY NOT MAKE A CAMPAIGN EXPENDITURE FOR

THE CANDIDATE OTHER THAN FROM THE CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

(C) A PARTICIPATING CANDIDATE MAY MAINTAIN A PETTY CASH FUND IN ACCORDANCE WITH § 13-220(C) OF THIS ARTICLE.

(D) (1) A PARTICIPATING CANDIDATE AND THE CAMPAIGN FINANCE ENTITY FOR THE PARTICIPATING CANDIDATE MAY USE THE PUBLICLY FUNDED CAMPAIGN ACCOUNT ONLY IN ACCORDANCE WITH THIS ARTICLE.

(2) THE STATE BOARD MAY GAIN ACCESS AT ANY TIME TO THE RECORDS AND TRANSACTIONS OF A PARTICIPATING CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

(3) IN ACCORDANCE WITH THE STATE BOARD REGULATIONS AND GUIDELINES, THE STATE BOARD MAY TERMINATE A PARTICIPATING CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

15-109. PARTICIPATING CANDIDATE — JOINING A SLATE PROHIBITED.

A PARTICIPATING CANDIDATE MAY NOT BE A MEMBER OF A SLATE IN ANY ELECTION IN WHICH THE CANDIDATE IS GOVERNED BY THIS TITLE.

15-110. EXPENDITURE LIMITS FOR PARTICIPATING CANDIDATES TO THE GENERAL ASSEMBLY.

(A) IN THIS SECTION, AN "UNCONTESTED" ELECTION MEANS AN ELECTION IN WHICH:

(1) ONLY ONE CANDIDATE QUALIFIES TO RUN FOR NOMINATION FOR OR ELECTION TO AN OFFICE; OR

(2) THE NUMBER OF CANDIDATES WHO QUALIFY TO RUN FOR NOMINATION FOR OR ELECTION TO AN OFFICE OR MULTIPLE OFFICES OF THE SAME CATEGORY EQUALS THE NUMBER OF OFFICES.

(B) A PARTICIPATING CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND MAY NOT EXPEND FOR CAMPAIGN PURPOSES AN AMOUNT IN EXCESS OF THE LIMITS SPECIFIED IN THIS SUBSECTION.

	PRIMARY	GENERAL	TOTAL
CONTESTED SENATE	\$50,000	\$50,000	\$100,000
UNCONTESTED SENATE	8,000	4,000	12,000

(C) A PARTICIPATING CANDIDATE FOR ELECTION TO THE HOUSE OF DELEGATES MAY NOT EXPEND FOR CAMPAIGN PURPOSES AN AMOUNT IN EXCESS OF THE LIMITS SPECIFIED IN THIS SUBSECTION.

	PRIMARY	GENERAL	TOTAL
CONTESTED HOUSE			
(THREE MEMBER)	\$50,000	\$50,000	\$100,000
(TWO MEMBER)	35,000	35,000	70,000
(SINGLE MEMBER)	20,000	20,000	40,000
UNCONTESTED HOUSE			
(THREE MEMBER)	\$8,000	\$4,000	\$12,000
(TWO MEMBER)	6,000	3,500	9,500
(SINGLE MEMBER)	5,000	3,000	8,000

(D) (1) THIS SUBSECTION APPLIES TO A PARTICIPATING CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND OR TO THE HOUSE OF DELEGATES WHO IS ENGAGED IN:

(I) A CONTESTED PRIMARY ELECTION AND A CONTESTED GENERAL ELECTION; OR

(II) AN UNCONTESTED PRIMARY ELECTION.

(2) A PARTICIPATING CANDIDATE WHO IS INVOLVED IN A CONTESTED PRIMARY ELECTION AND IN A CONTESTED GENERAL ELECTION MAY CHOOSE AN ALTERNATIVE APPORTIONMENT OF THE EXPENDITURE LIMIT ESTABLISHED FOR THAT CANDIDATE UNDER THIS SECTION SO THAT:

(I) FOR THE PRIMARY ELECTION, THE CANDIDATE MAY RECEIVE A PUBLIC CONTRIBUTION OF AND EXPEND AN AMOUNT THAT DOES NOT EXCEED 70% OF THE COMBINED EXPENDITURE LIMIT ESTABLISHED FOR THAT CANDIDATE FOR THE PRIMARY ELECTION AND FOR THE GENERAL ELECTION; AND

(II) SUBJECT TO PARAGRAPH (1) OF THIS SUBSECTION, FOR THE GENERAL ELECTION THE CANDIDATE MAY RECEIVE A PUBLIC CONTRIBUTION OF AND EXPEND THE BALANCE OF THE COMBINED EXPENDITURE LIMIT AUTHORIZED FOR THAT CANDIDATE FOR THE PRIMARY ELECTION AND FOR THE GENERAL ELECTION.

(3) A PARTICIPATING CANDIDATE INVOLVED IN AN UNCONTESTED PRIMARY ELECTION MAY CHOOSE AN ALTERNATIVE APPORTIONMENT OF THE EXPENDITURE LIMIT ESTABLISHED FOR THAT CANDIDATE UNDER THIS SECTION SO THAT FOR THE GENERAL ELECTION THE CANDIDATE MAY RECEIVE NO MORE THAN 70% OF THE COMBINED EXPENDITURE LIMIT ESTABLISHED FOR THAT CANDIDATE FOR THE PRIMARY ELECTION AND FOR THE GENERAL ELECTION.

(4) A PARTICIPATING CANDIDATE INVOLVED IN A CONTESTED PRIMARY ELECTION WHO CHOOSES AN ALTERNATIVE APPORTIONMENT OF THE EXPENDITURE LIMIT ESTABLISHED FOR THAT CANDIDATE SO THAT FOR THE PRIMARY ELECTION THE CANDIDATE RECEIVES MORE THAN 50% OF THE COMBINED EXPENDITURE LIMIT ESTABLISHED FOR THE CANDIDATE FOR THE PRIMARY ELECTION AND FOR THE GENERAL ELECTION IS NOT ELIGIBLE TO RECEIVE ANY FURTHER PUBLIC CONTRIBUTION UNDER THIS SECTION IF THE CANDIDATE THEREAFTER IS ENGAGED IN AN UNCONTESTED GENERAL ELECTION.

15-111. DISBURSEMENTS BY THE COMPTROLLER.

(A) (1) (I) BEGINNING ON MARCH 1 OF THE YEAR OF THE ELECTION, THE STATE BOARD SHALL AUTHORIZE THE COMPTROLLER TO MAKE A DISBURSEMENT FROM THE FUND TO EACH PARTICIPATING CANDIDATE WHOM THE STATE BOARD AS OF THAT DATE HAS CERTIFIED TO RECEIVE A PUBLIC CONTRIBUTION FOR THE PRIMARY ELECTION.

(II) BEFORE THE FILING DEADLINE FOR THE PRIMARY ELECTION FOR CANDIDATES FOR THE GENERAL ASSEMBLY, THE COMPTROLLER MAY NOT MAKE AGGREGATE DISBURSEMENTS TO A PARTICIPATING CANDIDATE THAT EXCEED 15% OF THE EXPENDITURE LIMIT SPECIFIED FOR THAT CANDIDATE FOR THE PRIMARY ELECTION.

(2) DURING THE PERIOD FROM MARCH 1 OF THE YEAR OF THE ELECTION UNTIL THE FILING DEADLINE FOR CANDIDATES FOR ELECTION TO THE GENERAL ASSEMBLY, IF A PARTICIPATING CANDIDATE WHO WAS UNOPPOSED IS LATER OPPOSED, IN ACCORDANCE WITH § 15-110 OF THIS TITLE, THE STATE BOARD PROMPTLY SHALL AUTHORIZE THE COMPTROLLER TO MAKE A DISTRIBUTION FROM THE FUND TO THE NOW OPPOSED PARTICIPATING CANDIDATE.

(3) A PARTICIPATING CANDIDATE MAY USE THE PUBLIC CONTRIBUTION DISBURSED UNDER THIS SUBSECTION ONLY FOR EXPENSES INCURRED FOR THE PRIMARY ELECTION.

(4) THE STATE BOARD MAY DIRECT THE COMPTROLLER TO DISBURSE A PUBLIC CONTRIBUTION TO A PARTICIPATING CANDIDATE FOR THE PRIMARY ELECTION UNTIL 45 DAYS BEFORE THE DATE OF THE PRIMARY ELECTION.

(5) WITHIN 15 DAYS AFTER THE PRIMARY ELECTION, A PARTICIPATING CANDIDATE SHALL RETURN TO THE STATE BOARD ANY PART OF THE PUBLIC CONTRIBUTION THAT THE CANDIDATE DID NOT SPEND FOR THE PRIMARY ELECTION.

(B) (1) WITHIN 72 HOURS AFTER THE STATE BOARD CERTIFIES THE RESULTS OF THE PRIMARY ELECTION, THE STATE BOARD SHALL DIRECT THE COMPTROLLER TO DISBURSE A PUBLIC CONTRIBUTION TO EACH PARTICIPATING CANDIDATE WHO HAS BEEN CERTIFIED BY THE STATE BOARD TO RECEIVE A PUBLIC CONTRIBUTION FOR THE GENERAL ELECTION.

(2) WITHIN 45 DAYS AFTER THE GENERAL ELECTION, A PARTICIPATING CANDIDATE SHALL RETURN TO THE STATE BOARD ANY PART OF THE PUBLIC CONTRIBUTION THAT THE CANDIDATE DID NOT SPEND FOR THE GENERAL ELECTION.

(C) A PARTICIPATING CANDIDATE NOMINATED BY PETITION IS ELIGIBLE TO RECEIVE A PUBLIC CONTRIBUTION FROM THE FUND FOR THE GENERAL ELECTION AFTER MARCH 1 OF THE YEAR OF THE ELECTION IF:

(1) THE CANDIDATE'S NOMINATION HAS BEEN CERTIFIED BY THE STATE BOARD; AND

(2) THE CANDIDATE DOES NOT PARTICIPATE IN A PRIMARY ELECTION.

(D) THE COMPTROLLER SHALL DEPOSIT A PUBLIC CONTRIBUTION IN THE PUBLICLY FUNDED CAMPAIGN ACCOUNT OF A PARTICIPATING CANDIDATE NO LATER THAN 5 DAYS AFTER THE STATE BOARD DIRECTS THAT THE DISBURSEMENT BE MADE.

15-112. PARTICIPATING CANDIDATE — SUPPLEMENTAL PRIVATE CONTRIBUTIONS.

(A) IN ADDITION TO THE PUBLIC CONTRIBUTION AUTHORIZED UNDER THIS TITLE, A PARTICIPATING CANDIDATE MAY RAISE SUPPLEMENTAL PRIVATE CONTRIBUTIONS IF THE PARTICIPATING CANDIDATE IS OPPOSED BY A

NONPARTICIPATING CANDIDATE IN A PRIMARY ELECTION OR IN A GENERAL ELECTION.

(B) (1) THE AGGREGATE AMOUNT OF ALL SUPPLEMENTAL PRIVATE CONTRIBUTIONS THAT A PARTICIPATING CANDIDATE MAY RAISE UNDER THIS SECTION MAY NOT EXCEED \$10,000.

(2) THE AGGREGATE AMOUNT OF THE SUPPLEMENTAL PRIVATE CONTRIBUTIONS RECEIVED FROM A CONTRIBUTOR MAY NOT EXCEED \$100.

15-113. EXPENDITURES BY NONPARTICIPATING CANDIDATE IN EXCESS OF EXPENDITURE LIMIT FOR PARTICIPATING CANDIDATE.

(A) (1) IF A NONPARTICIPATING CANDIDATE MAKES EXPENDITURES THAT EXCEED THE EXPENDITURE LIMIT ESTABLISHED FOR A PARTICIPATING CANDIDATE FOR THAT OFFICE, THE NONPARTICIPATING CANDIDATE THEREAFTER SHALL FILE A BIWEEKLY CAMPAIGN FINANCE REPORT OF ALL OF THE CANDIDATE'S EXPENDITURES THROUGH AND INCLUDING THE WEEK AFTER THE ELECTION.

(2) IN ADDITION TO THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION, DURING THE 30 DAYS PRECEDING AN ELECTION, A NONPARTICIPATING CANDIDATE SHALL NOTIFY THE STATE BOARD WITHIN 48 HOURS OF EACH EXPENDITURE OVER \$500 THAT THE CANDIDATE MAKES OR BECOMES OBLIGATED TO MAKE.

(B) IN ACCORDANCE WITH REGULATIONS OR WRITTEN GUIDELINES THAT THE STATE BOARD ADOPTS, THE STATE BOARD MAY MAKE AN INDEPENDENT DETERMINATION WHETHER A NONPARTICIPATING CANDIDATE HAS MADE AN EXPENDITURE THAT IS SUBJECT TO THIS SECTION.

15-114. PARTICIPATING CANDIDATE WHO OPTS OUT — RETURN OF PUBLIC MONEY AND PENALTY.

AFTER BEING CERTIFIED AS A PARTICIPATING CANDIDATE BY THE STATE BOARD, IF THE CANDIDATE ELECTS TO OPT OUT OF THE SYSTEM OF PUBLIC FINANCING OF ELECTIONS ESTABLISHED UNDER THIS TITLE, THE CANDIDATE SHALL:

(1) FILE A STATEMENT OF WITHDRAWAL WITH THE STATE BOARD ON THE FORM PRESCRIBED BY THE STATE BOARD; AND

(2) WITHIN 5 BUSINESS DAYS AFTER FILING THE STATEMENT OF WITHDRAWAL, REPAY TO THE STATE BOARD FOR REDEPOSIT IN THE FUND THE FULL AMOUNT OF THE MONEY DISBURSED TO THE CANDIDATE BY THE COMPTROLLER, TOGETHER WITH THE INTEREST AND PENALTY PRESCRIBED BY THE STATE BOARD BY REGULATION.

15-115. POLITICAL PARTY CONTRIBUTIONS AND EXPENDITURES.

(A) A PARTICIPATING CANDIDATE MAY NOT ACCEPT A CONTRIBUTION FROM A STATE OR LOCAL CENTRAL COMMITTEE OF A POLITICAL PARTY.

(B) THIS TITLE MAY NOT BE CONSTRUED TO PREVENT A POLITICAL PARTY FROM USING ITS FUNDS FOR EXPENSES FOR:

(1) THE GENERAL OPERATING EXPENSES OF THE POLITICAL PARTY;

(2) A POLITICAL PARTY CONVENTION;

(3) NOMINATING AND ENDORSING CANDIDATES;

(4) IDENTIFYING, RESEARCHING, AND DEVELOPING THE PARTY'S POSITIONS ON ISSUES;

(5) PARTY PLATFORM ACTIVITIES;

(6) VOTER REGISTRATION ACTIVITIES THAT ARE NOT CANDIDATE-SPECIFIC;

(7) GET-OUT-THE-VOTE ACTIVITIES THAT ARE NOT CANDIDATE-SPECIFIC;

(8) TRAVEL EXPENSES FOR LEADERS AND STAFF OF THE POLITICAL PARTY WHO ARE NOT CANDIDATES; OR

(9) OTHER PARTY-BUILDING ACTIVITIES THAT ARE NOT CANDIDATE-SPECIFIC.

15-116. JUDICIAL REVIEW.

(A) EXCEPT AS PROVIDED UNDER § 15-107(D) OF THIS TITLE, AN ACTION OF THE STATE BOARD UNDER THIS TITLE MAY BE REVIEWED BY A

CIRCUIT COURT IN ACCORDANCE WITH § 10-222(C) OF THE STATE GOVERNMENT ARTICLE.

(B) A PETITION TO REVIEW AN ACTION OF THE STATE BOARD UNDER THIS SECTION SHALL BE BROUGHT WITHIN 60 DAYS AFTER THE STATE BOARD ACTS.

15-117. PENALTIES.

(A) A PARTICIPATING CANDIDATE MAY NOT KNOWINGLY OR INTENTIONALLY:

(1) ACCEPT A CONTRIBUTION TO WHICH THE CANDIDATE IS NOT ENTITLED;

(2) MAKE AN EXPENDITURE IN AN AMOUNT THAT IS GREATER THAN THE AMOUNT THAT THE CANDIDATE RECEIVES FROM THE FUND; OR

(3) MISUSE A CONTRIBUTION OR MONEY RECEIVED FROM THE FUND.

(B) IF THE STATE BOARD DETERMINES THAT A PARTICIPATING CANDIDATE KNOWINGLY OR INTENTIONALLY RECEIVED A CONTRIBUTION OR MADE AN EXPENDITURE THAT EXCEEDS CONTRIBUTION OR EXPENDITURE LIMITS SPECIFIED UNDER THIS TITLE OR FAILED TO DISCLOSE THE CONTRIBUTION OR EXPENDITURE, THE PARTICIPATING CANDIDATE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$2,500 OR IMPRISONMENT FOR NOT MORE THAN 1 YEAR OR BOTH.

(C) IN THE DISCRETION OF THE STATE BOARD, AN INDIVIDUAL WHO VIOLATES THIS TITLE MAY BE BARRED FROM FURTHER PARTICIPATION AS A PARTICIPATING CANDIDATE UNDER THIS TITLE.

(D) (1) A PERSON MAY NOT KNOWINGLY OR INTENTIONALLY PROVIDE FALSE INFORMATION TO OR CONCEAL OR WITHHOLD INFORMATION ABOUT A CONTRIBUTION OR EXPENDITURE FROM THE STATE BOARD.

(2) A PERSON THAT VIOLATES THIS SUBSECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A PERSONAL FINE OF THREE TIMES THE AMOUNT OF THE ILLEGAL CONTRIBUTION, EXPENDITURE, OR FALSE DISCLOSURE, TO A MAXIMUM OF \$5,000 FOR EACH VIOLATION, OR IMPRISONMENT FOR 2 YEARS OR BOTH.

15-118. SHORT TITLE.**THIS TITLE MAY BE CITED AS THE PUBLIC FUNDING AND SMALL DONOR ACT FOR GENERAL ASSEMBLY ELECTIONS.**

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) There is a Commission to Study Public Financing of Elections in Maryland.

(b) The Commission shall consist of the following 10 members:

(1) One member of the Senate of Maryland, appointed by the President of the Senate;

(2) One member of the House of Delegates, appointed by the Speaker of the House;

(3) Six individuals appointed by the Governor, including:

(i) A member of the State Board of Elections;

(ii) A member of the State Ethics Commission; and

(iii) Four representatives of statewide organizations concerned with campaign finance practices, fair elections, and ethics in government;

(4) One representative appointed by the chair of the Maryland State Democratic Party Central Committee; and

(5) One representative appointed by the chair of the Maryland State Republican Party Central Committee.

(c) The Governor shall designate the chair of the Commission.

(d) The State Board of Elections and the State Ethics Commission shall provide staff for the Commission.

(e) A member of the Commission:

(1) May not receive compensation as a member of the Commission; but

(2) Is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) The Commission shall:

- (1) Convene following the November 2014 general election;
- (2) Receive testimony as the Commission considers appropriate; and
- (3) On or before December 31, 2016, report its findings and recommendations, including any proposed statutory changes to the Maryland election laws, to the Governor and, subject to § 2–1246 of the State Government Article, the General Assembly concerning:
 - (i) Information relating to the practice of public funding of election campaigns in other jurisdictions in the United States;
 - (ii) The need for additional disclosure of campaign contributions or expenditures under this Act;
 - (iii) The effect and role of independent expenditures under this Act;
 - (iv) The effectiveness of the regulations, guidelines, and policies established by the State Board of Elections governing the disclosure and reporting of contributions and expenditures by participating candidates and nonparticipating candidates in accordance with this Act;
 - (v) Funding sources that the General Assembly should consider for the purposes of this Act; and
 - (vi) Any other matter the Commission determines to be appropriate.

SECTION 4. AND BE IT FURTHER ENACTED, That, on termination of the Public Financing Act under Title 15 of the Election Law Article, as enacted by Section 1 of this Act, the Comptroller shall:

- (a) Preserve and maintain the money in the Fair Campaign Financing Fund for gubernatorial candidates under that Act on June 1, 2014, the effective date of the termination; and
- (b) Transfer that money, together with accrued interest, on July 1, 2014, to the Public Election Fund under the Public Funding and Small Donor Act for General Assembly Elections established under Title 15 of the Election Law Article, as enacted by Section 2 of this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That the captions contained in this Act are not law and may not be considered to have been enacted as part of this Act.

SECTION 6. AND BE IT FURTHER ENACTED, That if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 7. AND BE IT FURTHER ENACTED, That the State Board of Elections shall undertake actions, as required to manage and supervise the system of public financing of elections for General Assembly candidates established under Title 15 of the Election Law Article, as enacted by Section 2 of this Act, to include the development and adoption on or before October 1, 2014, of comprehensive regulations to implement the purposes of this Act, as required under § 15-102 of the Election Law Article, as enacted by Section 2 of this Act.

SECTION 8. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect July 1, 2015. It shall remain effective for a period of 2 years and, at the end of June 30, 2017, with no further action required by the General Assembly, Section 3 of this Act shall be abrogated and of no further force and effect.

SECTION 9. AND BE IT FURTHER ENACTED, That, except as provided in Section 8 of this Act, this Act shall take effect June 1, 2014.