

SENATE BILL 809

C1, G1

4lr1814

By: **Senators Raskin, Feldman, Ferguson, Forehand, Frosh, Kelley, Madaleno, Manno, Montgomery, Peters, Pinsky, Pugh, Ramirez, Robey, and Rosapepe**

Introduced and read first time: January 31, 2014

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

AN ACT concerning

Citizens' United Shareholder Democracy and Protection Act

FOR the purpose of requiring a Maryland corporation to include in its bylaws certain procedures regarding contributions to campaign finance entities and independent expenditures that the Maryland corporation proposes to make; prohibiting the distribution of certain material by a press organization owned or controlled by a Maryland corporation from being considered a contribution to a campaign finance entity or an independent expenditure for the purposes of certain provisions of this Act; prohibiting a Maryland corporation from making a contribution to a campaign finance entity or an independent expenditure under certain circumstances; and generally relating to campaign contributions and independent expenditures made by Maryland corporations.

BY adding to

Article – Corporations and Associations

Section 1–407

Annotated Code of Maryland

(2007 Replacement Volume and 2013 Supplement)

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

Article – Corporations and Associations

1–407.

(A) (1) A MARYLAND CORPORATION SHALL INCLUDE IN ITS BYLAWS ADEQUATE PROCEDURES FOR ASSESSING THE WILL OF THE MAJORITY OF THE

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



STOCKHOLDERS OF THE MARYLAND CORPORATION REGARDING CONTRIBUTIONS TO CAMPAIGN FINANCE ENTITIES AND INDEPENDENT EXPENDITURES FOR ANY FEDERAL, STATE, OR LOCAL ELECTION THAT THE MARYLAND CORPORATION PROPOSES TO MAKE.

(2) IF A MAJORITY OF THE STOCKHOLDERS OF A MARYLAND CORPORATION ARE UNABLE, BY LAW, CONTRACT, OR CORPORATE BYLAWS, OR ANY OTHER REASON, TO PARTICIPATE IN A VOTE REGARDING A CAMPAIGN CONTRIBUTION OR AN INDEPENDENT EXPENDITURE THE MARYLAND CORPORATION PROPOSES TO MAKE, THE MARYLAND CORPORATION MAY NOT MAKE THE CAMPAIGN CONTRIBUTION OR INDEPENDENT EXPENDITURE.

(B) THE DISTRIBUTION OF A NEWS STORY, COMMENTARY, EDITORIAL, BOOK, OR DOCUMENTARY IN THE ORDINARY COURSE OF BUSINESS BY A PRESS ORGANIZATION OWNED OR CONTROLLED BY A MARYLAND CORPORATION MAY NOT BE CONSIDERED A CONTRIBUTION TO A CAMPAIGN FINANCE ENTITY OR AN INDEPENDENT EXPENDITURE FOR THE PURPOSES OF SUBSECTION (A) OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2014.