

Chapter 454

(House Bill 769)

AN ACT concerning

Election Law – Persons Doing Public Business – Statements of Contributions

FOR the purpose of clarifying that a person who was doing public business on a certain date is required to file a certain statement of campaign contributions with the State Board of Elections on or before certain dates if performance remains uncompleted on the contract that caused the person to be doing public business; clarifying that a person is doing public business if the person has a contract with a governmental entity involving cumulative consideration of at least a certain amount; requiring a person doing public business to disclose a contribution *or donation* for the benefit of a candidate for an office of a governmental entity with which the person is doing public business; altering the reporting periods and due dates for a statement filed by a person doing public business; specifying requirements for the filing and contents of statements by a person doing public business who has obtained a certain approval from the State Board; authorizing a person doing public business who did not make contributions in excess of a certain amount during a reporting period to file a statement that contains only certain information; making a technical correction; and generally relating to disclosure of campaign contributions by persons doing public business.

BY repealing and reenacting, with amendments,

Article – Election Law

Section ~~14–101 and 14–104~~, 14–104, and 14–107(e)

Annotated Code of Maryland

(2010 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, without amendments,Article – Election LawSection 14–107(d)Annotated Code of Maryland(2010 Replacement Volume and 2014 Supplement)

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

Article – Election Law

14–101.

(a) In this title the following words have the meanings indicated.

(b) “Applicable contribution” means a contribution ***OR DONATION*** by a person or attributed to a person to **OR FOR THE BENEFIT OF** a candidate for an office of a governmental entity with which the person is doing public business.

(c) “Business entity” includes a firm, corporation, trust, unincorporated association, or other organization, whether or not conducted for profit.

(d) “Candidate” includes an incumbent office holder.

(e) (1) “Contract” means an agreement in any form entered into by a governmental entity for a procurement as defined in § 11–101(m)(1) of the State Finance and Procurement Article.

(2) “Contract” does not include:

(i) a collective bargaining agreement with an employee organization;

(ii) an agreement with a contractual employee, as defined in § 1–101(d) of the State Personnel and Pensions Article;

(iii) a Medicaid, Judicare, or similar reimbursement contract for which law sets:

1. user or recipient eligibility; and

2. price payable by the State; or

(iv) a Medicaid contract with a managed care organization, as defined in § 15–101(e) of the Health – General Article as to which regulations adopted by the Department establish:

1. recipient eligibility;

2. minimum qualifications for managed care organizations;

and

3. criteria for enrolling recipients in managed care organizations.

(f) (1) Subject to paragraph (2) of this subsection, “contribution” has the meaning stated in § 1–101 of this article.

(2) “Contribution” does not include:

(i) a bona fide gift by a spouse or relative within the third degree of consanguinity; or

(ii) an honorary membership in a social, service, or fraternal organization presented as a courtesy by the organization.

(g) “Director” means a member of the board of directors of a business entity.

(h) (1) “Doing public business” means making **OR HAVING** a single contract with a single governmental entity involving cumulative consideration of at least \$200,000.

(2) “Doing public business” does not include receiving a salary from a governmental entity.

(i) “Governmental entity” means:

(1) the State, a county, a municipal corporation, or other political subdivision of the State; and

(2) a unit of the State, a county, a municipal corporation, or other political subdivision of the State.

(j) “Make a contribution” includes to cause a contribution to be made.

(k) “Officer” means an individual who serves as a business entity’s chief executive officer, president, vice president, secretary, treasurer, chief financial officer, managing partner, managing member, or principal, or in any other formal or informal role in which the individual exercises substantial independent responsibility for managing the affairs of a business entity.

14–104.

(a) A person doing public business shall file a statement with the State Board as provided in this section.

(b) (1) When a contract is awarded that causes a person to be doing public business, an initial statement shall be filed at that time, covering the preceding 24 months.

(2) (i) A person who files an initial statement under paragraph (1) of this subsection ~~OR~~, **A PERSON WHO WAS DOING PUBLIC BUSINESS ON DECEMBER 31, 2014, OR A PERSON WHO HAS OBTAINED APPROVAL FROM THE STATE BOARD UNDER SUBSECTION (C)(2) OF THIS SECTION,** shall file a semi–annual statement in accordance with this paragraph for each reporting period specified in subparagraph (ii) of this paragraph if performance remains uncompleted on the contract that caused the person to be doing public business.

(ii) 1. The statements required by subparagraph (i) of this paragraph shall cover 6-month reporting periods ending on ~~January 31 and July 31~~ **APRIL 30 OR OCTOBER 31.**

2. A statement required by subparagraph (i) of this paragraph shall be filed ~~within 5 days after the end of the applicable reporting period~~ **ON OR BEFORE THE LAST DAY OF THE MONTH IMMEDIATELY FOLLOWING THE DAY ON WHICH THE REPORTING PERIOD ENDS.**

(c) (1) The statement required by this section shall be made under oath and, **EXCEPT AS PROVIDED IN PARAGRAPH (2) OR (3) OF THIS SUBSECTION,** shall contain:

(i) the name of each candidate, if any, to whom one or more applicable contributions in a cumulative amount of \$500 or more were made during the reporting period;

(ii) the office sought by each candidate named in item (i) of this paragraph;

(iii) the amount of aggregate contributions made to each candidate named in item (i) of this paragraph;

(iv) the name of each unit of a governmental entity with which the person did public business during the reporting period;

(v) the nature and amount of public business done with each unit of a governmental entity; and

(vi) if the public business was done or the contribution was made by another person but is attributed to the person filing the statement, the name of the person who did the public business or made the contribution and the relationship of that person to the person filing the statement.

(2) **(1)** The information required by paragraph (1)(iv) and (v) of this subsection may be omitted on the written approval of the State Board if the State Board finds that:

~~(i)~~ **1.** requiring the information would be unduly burdensome;

~~(ii)~~ **2.** the public interest would not be impaired substantially by the omission of this information; and

~~(iii)~~ **3.** the person filing the statement stipulates that the person has done public business during the reporting period.

(II) A PERSON WHO HAS OBTAINED APPROVAL FROM THE STATE BOARD UNDER THIS PARAGRAPH:

1. IS NOT REQUIRED TO FILE AN INITIAL STATEMENT UNDER SUBSECTION (B)(1) OF THIS SECTION;

2. SHALL FILE THE STATEMENTS REQUIRED UNDER SUBSECTION (B)(2) OF THIS SECTION IF PERFORMANCE REMAINS UNCOMPLETED ON ANY CONTRACT THAT CAUSES THE PERSON TO BE DOING PUBLIC BUSINESS; AND

3. SHALL INCLUDE IN EACH STATEMENT THE INFORMATION REQUIRED UNDER PARAGRAPH (1)(I), (II), (III), AND (VI) OF THIS SUBSECTION FOR ALL CONTRIBUTIONS BY THE PERSON OR ATTRIBUTED TO THE PERSON IN A CUMULATIVE AMOUNT OF \$500 OR MORE TO OR FOR THE BENEFIT OF A CANDIDATE FOR AN OFFICE OF ANY GOVERNMENTAL ENTITY.

(3) IF A PERSON DOING PUBLIC BUSINESS DID NOT MAKE APPLICABLE CONTRIBUTIONS IN A CUMULATIVE AMOUNT OF \$500 OR MORE TO A CANDIDATE DURING THE REPORTING PERIOD, THE STATEMENT FILED BY THE PERSON UNDER THIS SECTION IS REQUIRED TO CONTAIN ONLY THE FOLLOWING:

(I) THE NAME OF EACH UNIT OF A GOVERNMENTAL ENTITY WITH WHICH THE PERSON DID PUBLIC BUSINESS DURING THE REPORTING PERIOD, UNLESS THE PERSON HAS OBTAINED APPROVAL FROM THE STATE BOARD UNDER PARAGRAPH (2) OF THIS SUBSECTION TO OMIT THIS INFORMATION; AND

(II) A STIPULATION THAT THE PERSON DID NOT MAKE APPLICABLE CONTRIBUTIONS IN A CUMULATIVE AMOUNT OF \$500 OR MORE TO A CANDIDATE DURING THE REPORTING PERIOD.

(d) The State Board shall retain each statement filed under this title as a public record for at least 2 years after its receipt and shall make the statement publicly available on the Internet.

(e) A person shall file a statement required under this section in an electronic format required by the State Board.

14-107.

(d) A person who knowingly and willfully violates this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both.

(e) An officer or partner of a business entity who knowingly authorizes or participates in a violation of this title by the business entity is subject to the penalty provided in subsection [(a)](D) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding § 14-104(b)(2)(ii) of the Election Law Article as enacted by this Act, a person subject to Title 14 of the Election Law Article shall file a statement:

(1) on or before August 31, 2015, to cover a 6-month reporting period beginning on February 1, 2015, and ending on July 31, 2015; and

(2) on or before November 30, 2015, to cover a 3-month reporting period beginning on August 1, 2015, and ending on October 31, 2015.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2015.

Approved by the Governor, May 12, 2015.