

HOUSE BILL 112

G1

6lr1751

By: **Delegates Jackson, Barron, Haynes, Healey, C. Howard, Jameson, Morales, and Patterson**

Introduced and read first time: January 20, 2016

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Election Law – Campaign Finance Entities – Activity and Forfeiture of Salary**

3 FOR the purpose of authorizing a campaign finance entity to make a disbursement to
4 compensate a responsible officer of the campaign finance entity only by check;
5 requiring the treasurer of an authorized candidate campaign committee to provide
6 certain individuals with a copy of a certain bank statement within a certain time
7 period; requiring, under certain circumstances, a campaign finance entity to submit
8 certain documentation to the State Board of Elections before making a disbursement
9 for certain compensation; expanding the application of certain provisions of law
10 regarding the forfeiture of salary by an individual holding public office in the State;
11 requiring the State Administrator of Elections or the State Administrator’s designee,
12 rather than the State Board of Elections, to take certain action regarding the
13 forfeiture of salary by certain individuals; making conforming changes; and
14 generally relating to campaign finance entities.

15 BY repealing and reenacting, with amendments,
16 Article – Election Law
17 Section 13–220(d) and 13–334
18 Annotated Code of Maryland
19 (2010 Replacement Volume and 2015 Supplement)

20 BY adding to
21 Article – Election Law
22 Section 13–220(e) and 13–248
23 Annotated Code of Maryland
24 (2010 Replacement Volume and 2015 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Election Law**

2 13–220.

3 (d) (1) **[A] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A campaign**
4 **finance entity may make a disbursement only by:**

5 (i) check; or

6 (ii) an electronic method that the State Board authorizes by
7 regulation.

8 (2) An electronic method of making a disbursement that the State Board
9 authorizes under this subsection shall ensure that:

10 (i) the identity of the person making the disbursement may be
11 verified;

12 (ii) the transaction is secure; and

13 (iii) there is an adequate record of the transaction.

14 **(3) A CAMPAIGN FINANCE ENTITY MAY MAKE A DISBURSEMENT TO**
15 **COMPENSATE A RESPONSIBLE OFFICER OF THE CAMPAIGN FINANCE ENTITY ONLY**
16 **BY CHECK.**

17 **(E) WITHIN 30 DAYS AFTER FILING A CAMPAIGN FINANCE REPORT AT THE**
18 **STATE BOARD, THE TREASURER OF AN AUTHORIZED CANDIDATE CAMPAIGN**
19 **COMMITTEE SHALL PROVIDE BOTH THE CANDIDATE AND THE CHAIRMAN WITH A**
20 **COPY OF THE MOST RECENT CAMPAIGN ACCOUNT BANK STATEMENT.**

21 13–248.

22 **IF A RESPONSIBLE OFFICER OF A CAMPAIGN FINANCE ENTITY HAS A**
23 **COMPENSATION AGREEMENT WITH THE CAMPAIGN FINANCE ENTITY, BEFORE**
24 **MAKING A DISBURSEMENT FOR THE COMPENSATION, THE CAMPAIGN FINANCE**
25 **ENTITY SHALL SUBMIT TO THE STATE BOARD:**

26 **(1) A COPY OF THE COMPENSATION AGREEMENT; AND**

27 **(2) IF THE CAMPAIGN FINANCE ENTITY IS AN AUTHORIZED**
28 **CANDIDATE CAMPAIGN COMMITTEE, THE WRITTEN CONSENT OF THE CANDIDATE.**

29 13–334.

1 (a) This section applies to [each] AN individual holding public office in this State
2 [who] IF:

3 (1) THE INDIVIDUAL is subject to prosecution under § 13–335(b) of this
4 subtitle; OR

5 (2) (I) THE INDIVIDUAL’S AUTHORIZED CANDIDATE CAMPAIGN
6 COMMITTEE HAS FAILED TO FILE A CAMPAIGN FINANCE REPORT; AND

7 (II) THE RESPONSIBLE OFFICERS OF THE AUTHORIZED
8 CANDIDATE CAMPAIGN COMMITTEE RECEIVED A NOTICE ISSUED BY THE STATE
9 BOARD UNDER § 13–335(A) OF THIS SUBTITLE.

10 (b) The [State Board] STATE ADMINISTRATOR, OR THE STATE
11 ADMINISTRATOR’S DESIGNEE, shall:

12 (1) investigate each circumstance that causes an individual to become
13 subject to this section;

14 (2) notify the individual; and

15 (3) provide the individual an opportunity to be heard BEFORE THE STATE
16 BOARD.

17 (c) If the State Board determines, after an opportunity for a hearing, that the
18 individual OR THE INDIVIDUAL’S AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE
19 has failed to file a campaign finance report within the meaning of § 13–327 of this subtitle,
20 THE INDIVIDUAL was OR THE RESPONSIBLE OFFICERS OF THE INDIVIDUAL’S
21 AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE WERE provided notice under
22 §13–335 of this subtitle, and THE INDIVIDUAL OR THE INDIVIDUAL’S AUTHORIZED
23 CANDIDATE CAMPAIGN COMMITTEE has not rectified the failure and paid any late filing
24 fee due, the State Board shall direct the appropriate financial officer to withhold the salary
25 of the individual as to that public office until:

26 (1) the failure to file is rectified and any late filing fee is paid; and

27 (2) any salary previously paid to the individual for the public office while
28 the individual was in violation is restored to the State or local government involved.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2016.