

HOUSE BILL 376

G1

7lr1861

By: **Delegates Moon, B. Barnes, Carr, Gutierrez, Korman, Sanchez, and Tarlau**
Introduced and read first time: January 25, 2017
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Election Law – Business Entity Campaign Contributions – Prohibition**

3 FOR the purpose of prohibiting business entities from directly making contributions to
4 campaign finance entities; making a conforming change; and generally relating to
5 business entity campaign contributions.

6 BY repealing and reenacting, with amendments,
7 Article – Election Law
8 Section 13–226
9 Annotated Code of Maryland
10 (2010 Replacement Volume and 2016 Supplement)

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

13 **Article – Election Law**

14 13–226.

15 (a) The limits on contributions in this section do not apply to:

16 (1) a contribution to a ballot issue committee; or

17 (2) those contributions defined as transfers.

18 (b) Subject to subsections [(c) and (d)] **(C), (D), AND (E)** of this section, a person
19 may not, either directly or indirectly, in an election cycle make aggregate contributions in
20 excess of:

21 (1) \$6,000 to any one campaign finance entity; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) \$24,000 to all campaign finance entities.

2 (c) (1) Notwithstanding subsection (b) of this section, a central committee of a
3 political party or legislative party caucus committee may make aggregate in-kind
4 contributions to a single candidate during an election cycle that are not in excess of:

5 (i) for a State central committee or legislative party caucus
6 committee, \$1 for every two registered voters in the State; and

7 (ii) for a local central committee, \$1 for every two registered voters
8 in the county.

9 (2) For the purposes of paragraph (1) of this subsection, the number of
10 registered voters is determined, regardless of party affiliation, as of the first day of the
11 election cycle.

12 (d) The limit on contributions to the campaign finance entity of a candidate
13 applies regardless of the number of offices sought by the candidate or campaign finance
14 entities formed to support the candidate.

15 (e) (1) In this subsection, “business entity” includes a corporation, a sole
16 proprietorship, a general partnership, a limited partnership, a limited liability company, a
17 real estate investment trust, or other entity.

18 [(2) Contributions by two or more business entities shall be considered as
19 being made by one contributor if:

20 (i) one business entity is a wholly owned subsidiary of another; or

21 (ii) the business entities are owned or controlled by at least 80% of
22 the same individuals or business entities.]

23 **(2) A BUSINESS ENTITY MAY NOT DIRECTLY MAKE A CONTRIBUTION**
24 **TO A CAMPAIGN FINANCE ENTITY.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2017.