SENATE BILL 259

G1 7 lr 1277

SB 290/16 - EHE

By: Senators Bates, Cassilly, Eckardt, Ready, Salling, Serafini, Waugh, and Young Introduced and read first time: January 20, 2017 Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

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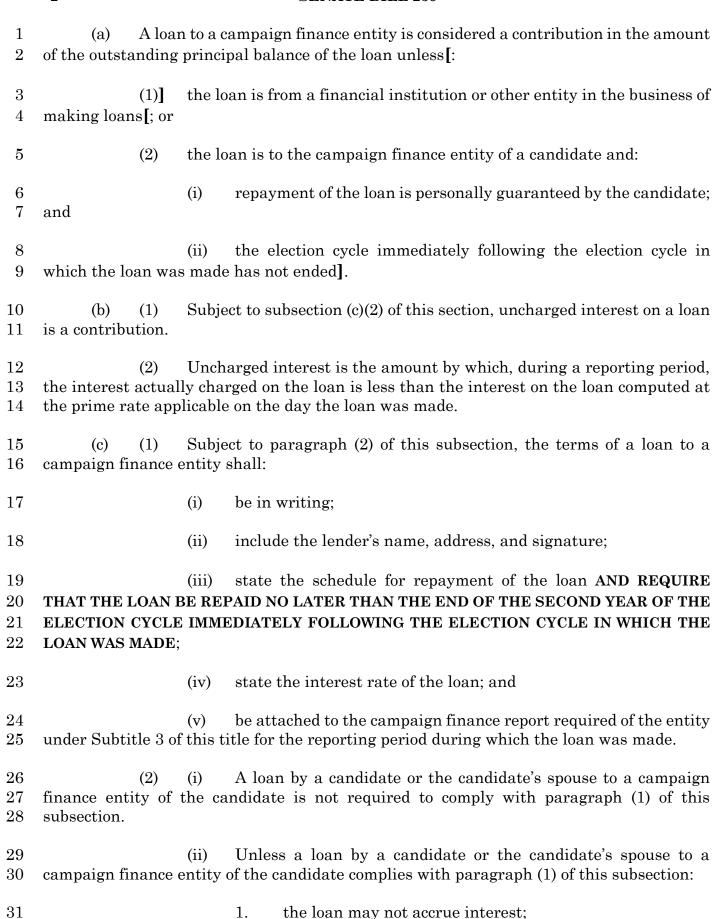
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Election Laws - Loans to a Campaign Finance Entity

FOR the purpose of altering the conditions under which the principal balance on a loan to a campaign finance entity is considered a contribution; providing that the terms of a 4 loan to a campaign finance entity require that the loan be repaid by a certain date; specifying that certain penalties assessed against a campaign finance entity for a loan that results in a violation of certain contribution limits may be assessed against a lender, the candidate whose campaign finance entity received the loan, or both; specifying that any statute of limitations associated with the assessment of certain penalties begins on expiration of the repayment deadline for a certain loan; and generally relating to loans to a campaign finance entity.

- 12 BY repealing and reenacting, with amendments,
- 13 Article – Election Law
- Section 13-230 14
- 15 Annotated Code of Maryland
- 16 (2010 Replacement Volume and 2016 Supplement)
- 17 BY adding to
- Article Election Law 18
- 19 Section 13–604.3
- 20 Annotated Code of Maryland
- 21 (2010 Replacement Volume and 2016 Supplement)
- 22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- That the Laws of Maryland read as follows: 23
- 24 Article – Election Law
- 25 13 - 230.



$\frac{1}{2}$	2. any interest foregone on the loan is not a contribution under subsection (b) of this section; and
3	3. the campaign finance entity is not subject to [:
4 5	A.] § 13–310(a) and (b) of this title so long as the loan has an outstanding principal balance [; and
6	B. subsection (a)(2)(ii) of this section].
7 8	(d) (1) A loan may not be made to a campaign finance entity of a candidate, or accepted on behalf of the entity, without the express written consent of the candidate.
9 10	(2) The written consent of the candidate constitutes the personal guarantee of the candidate for repayment of the loan only if the document expressly so provides.
11	(3) A copy of the candidate's written consent shall be:
12	(i) furnished to the lender when the loan is made; and
13 14	(ii) attached to the campaign finance report required of the entity under Subtitle 3 of this title for the reporting period during which the loan was made.
15	13-604.3.
16 17 18 19	(a) If a loan made under § $13-230$ of this title results in a violation of § $13-226$ of this title, the penalty assessed under § $13-603$ or § $13-604$ of this subtitle may be assessed against the lender, the candidate whose campaign finance entity received the loan, or both.
20 21 22	(B) ANY STATUTE OF LIMITATIONS ASSOCIATED WITH ASSESSING A PENALTY UNDER SUBSECTION (A) OF THIS SECTION BEGINS ON EXPIRATION OF THE REPAYMENT DEADLINE FOR THE LOAN.
23	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect

October 1, 2017.

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