

Chapter 376

(House Bill 830)

AN ACT concerning

**County Public Campaign Financing – ~~Late Fees, Civil Penalties, and Administration~~**

FOR the purpose of ~~providing that a candidate who accepts public campaign financing and the responsible officers of the candidate’s authorized candidate campaign committee are jointly and severally liable for payment of certain late fees and certain civil penalties, instead of the candidate’s authorized candidate campaign committee being liable;~~ requiring the governing body of a county that exercises its authority to establish a system of public campaign financing for elective offices in the executive and legislative branches of county government to provide the funding and staff necessary for the operation, administration, and auditing of the system of public campaign financing; and generally relating to county public campaign financing.

BY repealing and reenacting, with amendments,  
Article – Election Law  
Section ~~13-331~~, 13-505, ~~and 13-604.1(f)~~  
Annotated Code of Maryland  
(2017 Replacement Volume and 2018 Supplement)

~~BY repealing and reenacting, without amendments,  
Article – Election Law  
Section 13-604.1(a) through (c)  
Annotated Code of Maryland  
(2017 Replacement Volume and 2018 Supplement)~~

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

**Article – Election Law**

~~13-331.~~

~~(a) In accordance with subsection (b) of this section, the State Board shall assess a late filing fee for a failure to file a campaign finance report, an affidavit, or an amended campaign finance report, as specified in § 13-327 of this subtitle.~~

~~(b) (1) The fee is \$10 for each day or part of a day that a campaign finance report, an affidavit, or an amended campaign finance report is overdue.~~

~~(2) An additional fee of \$10 is due for each of the first 6 days that a preelection campaign finance report under § 13-309 of this subtitle is overdue.~~

~~(3) The maximum fee payable for a campaign finance report, an affidavit, or an amended campaign finance report is \$500.~~

~~(e) (1) The State Board shall accept an overdue campaign finance report, affidavit, or amended campaign finance report that is submitted without payment of the late filing fee, but the campaign finance report, affidavit, or amended campaign finance report is not considered filed until the fee has been paid.~~

~~(2) After an overdue campaign finance report, affidavit, or amended campaign finance report is received under paragraph (1) of this subsection no further late filing fee shall be incurred.~~

~~(d) (1) Subject to [paragraph] PARAGRAPHS (2) AND (3) of this subsection, a late filing fee shall be paid by the campaign finance entity.~~

~~(2) If the campaign finance entity has insufficient funds with which to pay a late filing fee in a timely manner, the late filing fee is the joint and several liability of the responsible officers.~~

~~(3) A LATE FILING FEE IMPOSED ON THE AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE OF A CANDIDATE WHO ACCEPTS PUBLIC CAMPAIGN FINANCING UNDER § 13-505 OF THIS TITLE OR A GUBERNATORIAL TICKET THAT ACCEPTS PUBLIC CAMPAIGN FINANCING UNDER TITLE 15 OF THIS ARTICLE IS THE JOINT AND SEVERAL LIABILITY OF THE RESPONSIBLE OFFICERS OF THE AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE AND THE CANDIDATE.~~

13-505.

(a) (1) Subject to the provisions of this section, the governing body of a county may establish, by law, a system of public campaign financing for elective offices in the executive or legislative branches of county government.

(2) When establishing a system of public campaign financing for elective offices in the executive or legislative branches of county government, the governing body of a county shall:

(I) specify the criteria that is to be used to determine whether an individual is eligible for public campaign financing; AND

(II) PROVIDE THE FUNDING AND STAFF NECESSARY FOR THE OPERATION, ADMINISTRATION, AND AUDITING OF THE SYSTEM OF PUBLIC CAMPAIGN FINANCING.

(b) A system of public campaign financing enacted under subsection (a) of this section:

(1) shall provide for participation of candidates in public campaign financing on a strictly voluntary basis;

(2) may not regulate candidates who choose not to participate in public campaign financing;

(3) shall prohibit the use of public campaign financing for any campaign except a campaign for county elective office;

(4) shall require a candidate who accepts public campaign financing to:

(i) establish a campaign finance entity solely for the campaign for county elective office; and

(ii) use funds from that campaign finance entity only for the campaign for county elective office;

(5) shall prohibit a candidate who accepts public campaign financing from transferring funds:

(i) to the campaign finance entity established to finance the campaign for county elective office from any other campaign finance entity established for the candidate; and

(ii) from the campaign finance entity established to finance the campaign for county elective office to any other campaign finance entity;

(6) shall provide for a public election fund for county elective offices that is administered by the chief financial officer of the county; and

(7) shall be subject to regulation and oversight by the State Board to ensure conformity with State law and policy to the extent practicable.

(c) A system of public campaign financing enacted under subsection (a) of this section may:

(1) provide for more stringent regulation of campaign finance activity by candidates who choose to accept public campaign financing, including contributions, expenditures, reporting, and campaign material, than is provided for by State law; and

(2) provide for administrative penalties for violations, in accordance with Article 25A, § 5 of the Code.

~~13-604.1.~~

~~(a) In this section, "person" includes a political committee.~~

~~(b) The State Board may impose a civil penalty in accordance with this section for the following violations:~~

~~(1) making a disbursement in a manner not authorized in § 13-218(b)(2), (c), and (d) of this title;~~

~~(2) failure to maintain a campaign bank account as required in § 13-220(a) of this title;~~

~~(3) making a disbursement by a method not authorized in § 13-220(d) of this title;~~

~~(4) failure to maintain detailed and accurate account books and records as required in § 13-221 of this title;~~

~~(5) fund raising during the General Assembly session in a manner not authorized in § 13-235 of this title;~~

~~(6) failure to report all contributions received and expenditures made as required in § 13-304(b) of this title;~~

~~(7) failure to include an authority line on campaign material as required in § 13-401 of this title; or~~

~~(8) failure to retain a copy of campaign material as required in § 13-403 of this title.~~

~~(c) A civil penalty imposed under this section for a violation specified in subsection (b) of this section is in addition to any other sanction provided by law.~~

~~(d) (1) Except as otherwise provided in this title or as provided in paragraph (2) of this subsection, the amount of a civil penalty imposed under this section may not exceed \$500 for each violation.~~

~~(2) As to a violation of § 13-235 of this title, the campaign finance entity that receives a contribution as a result of a violation shall:~~

~~(i) refund the contribution to the contributor; and~~

~~(ii) pay a civil penalty that equals \$1,000 plus the amount of the contribution, unless the State Board at its discretion assesses a lesser penalty for good cause.~~

~~(c) The civil penalty is payable to the State Board by the person charged in a citation within 20 calendar days after service of the citation.~~

~~(f) (1) Subject to paragraphs (2) [and], (3), AND (4) of this subsection, a civil penalty imposed under this section shall be paid by the campaign finance entity.~~

~~(2) If the campaign finance entity has insufficient funds with which to pay the full amount of the civil penalty in a timely manner, after the campaign account of the finance entity is exhausted the balance of the civil penalty is the joint and several liability of the responsible officers.~~

~~(3) If a violation is committed by a person not acting on behalf of, or at the request or suggestion of, a candidate or a campaign finance entity, the civil penalty shall be paid by the person who committed the violation.~~

~~(4) A CIVIL PENALTY IMPOSED ON THE AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE OF A CANDIDATE WHO ACCEPTS PUBLIC CAMPAIGN FINANCING UNDER § 13-505 OF THIS TITLE OR A GUBERNATORIAL TICKET THAT ACCEPTS PUBLIC CAMPAIGN FINANCING UNDER TITLE 15 OF THIS ARTICLE IS THE JOINT AND SEVERAL LIABILITY OF THE RESPONSIBLE OFFICERS OF THE AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE AND THE CANDIDATE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2019.

Approved by the Governor, April 30, 2019.