

---

**By: Delegates Bobo, Cryor, Kopp, Grosfeld, Pitkin, McIntosh, Turner, Hurson, Genn, Mandel, Hubbard, Pendergrass, Dypski, Petzold, Morgan, Kittleman, Clagett, Brinkley, and Faulkner**

Introduced and read first time: January 31, 1997

Assigned to: Commerce and Government Matters

---

Committee Report: Favorable

House action: Adopted

Read second time: February 25, 1997

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Election Law - Campaign Finance - Attribution of Contributions**

3 FOR the purpose of altering the treatment of certain contributions that are made by  
4 certain associated entities; attributing the campaign contributions of certain  
5 associated entities to a single contributor for purposes of determining the maximum  
6 amount of the contributions that such associated entities may make; and generally  
7 relating to the attribution of campaign contributions made by certain associated  
8 entities and the application of campaign finance contribution limitations to such  
9 associated entities.

10 BY repealing and reenacting, without amendments,

11 Article 33 - Election Code

12 Section 26-9(d) and (e)

13 Annotated Code of Maryland

14 (1993 Replacement Volume and 1996 Supplement)

15 BY repealing and reenacting, with amendments,

16 Article 33 - Election Code

17 Section 26-9(g)

18 Annotated Code of Maryland

19 (1993 Replacement Volume and 1996 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

21 MARYLAND, That the Laws of Maryland read as follows:

2

1           **Article 33 - Election Code**

2 26-9.

3           (d) (1) Except as provided in subsections (e) and (e-1) of this section, it is  
4 unlawful for any individual, association, unincorporated association, corporation, or any  
5 other entity either directly or indirectly, to contribute any money or thing of value greater  
6 than \$4,000 to any candidate or political committee or to contribute money in excess of  
7 \$100 except by check in any 4-year election cycle. Contributions may be made by credit  
8 card, not to exceed \$100 per transaction, to any candidate or political committee under  
9 this subsection. Total contributions by a contributor under this subsection shall not  
10 exceed \$10,000 in any 4-year election cycle.

11           (2) Notwithstanding any other provision of this article, the limit on  
12 contributions during a 4-year election cycle by the governing body for a political party or  
13 local central committee shall be as follows:

14           (i) For a statewide governing body for a political party, not more than  
15 \$1 for every two registered voters in the State, regardless of party affiliation, as of January  
16 1 following the preceding gubernatorial election; and

17           (ii) For the governing body of a local central committee for a political  
18 party, not more than \$1 for every two registered voters in the county, regardless of party  
19 affiliation, as of January 1 following the preceding gubernatorial election.

20           (3) (i) The limitations set forth in paragraph (1) of this subsection and  
21 subsection (e)(1) of this section shall apply to each 4-year election cycle beginning on  
22 January 1 following the gubernatorial election and continuing until December 31 that is 4  
23 years later.

24           (ii) Without regard to when a contribution or transfer is expended or  
25 used, the contribution or transfer shall be charged against the limitation for the election  
26 cycle in which:

27                           1. The check is written or dated; or

28                           2. The cash or other thing of value is received.

29           (e) (1) In this subsection, "political committee" includes a political committee  
30 registered under § 26-4 of this subtitle and an out-of-state political committee.

31           (2) Except as provided in paragraph (3) of this subsection, during a 4-year  
32 election cycle the treasurer of a political committee or the treasurer of a candidate may  
33 not directly or indirectly transfer any money greater than \$6,000 to the treasurer or  
34 political committee of a candidate or any other political committee.

35           (3) The limitations on transfers and the provisions on affiliations set forth in  
36 this subsection may not apply to:

37           (i) Transfers between and among political committees that are State  
38 or local committees of the same political party;

39           (ii) Transfers between and among a slate and its candidate members;  
40 and

3

1 (iii) Transfers between a campaign committee authorized by a  
2 candidate and that candidate's treasurer.

3 (4) In applying the limitations of this subsection, all affiliated political  
4 committees are treated as a single transferor. Political committees are "affiliated" if they  
5 are organized and operated in coordination and cooperation with each other or otherwise  
6 conduct their operations and make their contribution decisions under the control of the  
7 same individual or entity.

8 (5) The limitations on transfers to the treasurer or political committee of a  
9 candidate set forth in paragraph (2) of this subsection shall apply to the individual  
10 regardless of the number of offices for which that individual files a certificate of  
11 candidacy within a 4-year election cycle.

12 (6) No transfer of any kind, in any amount, is permitted if it is intended to  
13 conceal the true identity of the actual contributor or the identity of the intended  
14 recipient.

15 (g) (1) [Except] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AND  
16 EXCEPT as otherwise provided by law, an individual, association, unincorporated  
17 association, corporation, PARTNERSHIP, LIMITED LIABILITY COMPANY, REAL ESTATE  
18 INVESTMENT TRUST, or other entity may make contributions in accordance with the  
19 limitations on contributions set forth in this section.

20 (2) [, provided that, for] FOR the purpose of determining the maximum  
21 amount that [a corporation] ANY ENTITY DESCRIBED IN PARAGRAPH (1) OF THIS  
22 SUBSECTION may contribute, a contribution [by a corporation] SHALL BE CONSIDERED  
23 AS BEING MADE BY A SINGLE CONTRIBUTOR IF AN ENTITY and any wholly owned  
24 subsidiary of the [corporation] ENTITY or 2 or more [corporations owned by the same  
25 stockholders shall be considered as being made by 1 contributor] OF SUCH  
26 CONTRIBUTING ENTITIES:

27 (I) AS TO CORPORATIONS, ARE OWNED BY THE SAME  
28 STOCKHOLDERS;

29 (II) AS TO LIMITED LIABILITY COMPANIES, CONSIST OF THE SAME  
30 MEMBERS;

31 (III) AS TO REAL ESTATE INVESTMENT TRUSTS, CONSIST OF THE  
32 SAME SHAREHOLDERS;

33 (IV) AS TO PARTNERSHIPS UNDER THE MARYLAND UNIFORM  
34 PARTNERSHIP ACT, CONSIST OF THE SAME PARTNERS; OR

35 (V) AS TO PARTNERSHIPS UNDER THE MARYLAND LIMITED  
36 PARTNERSHIP ACT, CONSIST OF THE SAME GENERAL PARTNERS.

37 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
38 October 1, 1997.

