
By: Senators Miller, Blount, and Collins

Introduced and read first time: January 9, 1997

Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Campaign Finance and Ethics Law - Fund-Raising and Disclosure**

3 FOR the purpose of prohibiting the Governor, Lieutenant Governor, Attorney General,
4 Comptroller, members of the General Assembly, a candidate for election to any of
5 these offices, or persons acting on behalf of any of these individuals, from receiving
6 contributions, conducting a fund-raising event, or soliciting or selling tickets to an
7 event, during certain periods of time; providing certain exceptions; establishing a
8 certain penalty for certain violations of this prohibition; requiring that certain
9 campaign finance reports be submitted to and maintained by the State
10 Administrative Board of Election Laws in an electronic storage format; requiring
11 the State Board to provide certain materials to persons required to file certain
12 campaign fund reports; requiring the State Board to make the campaign finance
13 report information that it maintains in an electronic storage format easily accessible
14 to the public; defining certain terms; requiring the State Board to adopt certain
15 regulations; providing that an official need not include as a gift on the financial
16 disclosure statement attendance at certain events that are otherwise reported by
17 regulated lobbyists; altering certain lobbyist reporting requirements as to certain
18 functions to include events to which all members of a county or regional delegation
19 of the General Assembly are invited; providing that a presiding officer of the Senate
20 or House of Delegates shall be deemed an ex officio member of a standing
21 committee of the presiding officer's chamber; expanding the prohibition against
22 lobbyists from soliciting or transmitting certain contributions to include the
23 campaigns of the Governor, Lieutenant Governor, Attorney General, and
24 Comptroller and candidates for election to these offices; prohibiting certain
25 lobbyists from serving on a fund-raising or political committee; and generally
26 relating to fund-raising and disclosure requirements under the campaign finance
27 and ethics law.

28 BY repealing and reenacting, without amendments,
29 Article 33 - Election Code
30 Section 1-1(a)(5)
31 Annotated Code of Maryland
32 (1993 Replacement Volume and 1996 Supplement)

33 BY adding to
34 Article 33 - Election Code

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1 Section 1-1(a)(6B) and 26-10
2 Annotated Code of Maryland
3 (1993 Replacement Volume and 1996 Supplement)

4 BY repealing and reenacting, with amendments,
5 Article 33 - Election Code
6 Section 26-3(a)(4), 26-11(l), and 26-12
7 Annotated Code of Maryland
8 (1993 Replacement Volume and 1996 Supplement)

9 BY repealing and reenacting, without amendments,
10 Article - State Government
11 Section 15-607(a)
12 Annotated Code of Maryland
13 (1995 Replacement Volume and 1996 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article - State Government
16 Section 15-607(e), 15-704, and 15-707
17 Annotated Code of Maryland
18 (1995 Replacement Volume and 1996 Supplement)

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

21 **Article 33 - Election Code**

22 1-1.

23 (a) As used in this article the following terms shall have the meanings indicated
24 unless a contrary meaning is clearly intended from the context in which the term appears:

25 (5) (i) "Contribution" means the gift, transfer or promise of gift or
26 transfer of money or other thing of value to any candidate, or the candidate's
27 representative, or a representative of any political party or partisan organization to
28 promote or assist in the promotion of the success or defeat of any candidate, political
29 party, principle or proposition submitted to a vote at any election.

30 (ii) "Contribution" includes proceeds from the sale of tickets to a
31 campaign fund-raising event.

32 (6B) "ELECTRONIC STORAGE FORMAT" MEANS A COMPUTER DISK OR
33 OTHER INFORMATION STORAGE AND RETRIEVAL MEDIUM APPROVED BY THE
34 STATE ADMINISTRATIVE BOARD OF ELECTION LAWS.

35 26-3.

36 (a) (4) (i) 1. In this paragraph "lobbyist" means a regulated lobbyist who is
37 described in § 15-701(a)(1), (2), or (3) of the State Government Article.

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1 PROPERLY FILED AS A CANDIDATE FOR AN ELECTIVE FEDERAL OR LOCAL
2 GOVERNMENT OFFICE.

3 (II) AN INDIVIDUAL SUBJECT TO THIS PARAGRAPH, OR A PERSON
4 ACTING ON BEHALF OF THAT INDIVIDUAL, MAY:

5 1. ACCEPT AND DEPOSIT A CONTRIBUTION SOLELY FOR
6 PURPOSES RELATING TO THE ELECTION OF THE INDIVIDUAL TO A FEDERAL OR
7 LOCAL GOVERNMENT OFFICE;

8 2. CONDUCT A FUND-RAISING EVENT IN ORDER TO
9 RECEIVE A CONTRIBUTION SOLELY FOR A PURPOSE THAT RELATES TO THE
10 ELECTION OF THE INDIVIDUAL TO A FEDERAL OR LOCAL GOVERNMENT OFFICE;
11 AND

12 3. SOLICIT OR SELL A TICKET TO A FUND-RAISING EVENT
13 SOLELY FOR A PURPOSE THAT RELATES TO THE ELECTION OF THE INDIVIDUAL TO
14 A FEDERAL OR LOCAL GOVERNMENT OFFICE.

15 (2) (I) THIS PARAGRAPH APPLIES TO AN ELIGIBLE CANDIDATE WHO
16 HAS APPLIED FOR AND ACCEPTS A PUBLIC CONTRIBUTION FROM THE FAIR
17 CAMPAIGN FINANCING FUND UNDER THE FAIR CAMPAIGN FINANCING ACT.

18 (II) DURING THE YEAR OF THE ELECTION ONLY, AN ELIGIBLE
19 CANDIDATE SUBJECT TO THIS PARAGRAPH MAY ACCEPT AN ELIGIBLE PRIVATE
20 CONTRIBUTION AND ANY DISBURSEMENT OF FUNDS BY THE STATE
21 ADMINISTRATIVE BOARD OF ELECTION LAWS THAT ARE BASED ON THE ELIGIBLE
22 PRIVATE CONTRIBUTIONS.

23 (D) (1) IF A PERSON VIOLATES ANY OF THE PROVISIONS OF THIS SECTION,
24 THE PERSON'S COMMITTEE IS LIABLE FOR A CIVIL PENALTY AS PROVIDED IN THIS
25 SUBSECTION.

26 (2) FOR ANY VIOLATION OF THIS SECTION, THE STATE BOARD,
27 REPRESENTED BY THE STATE PROSECUTOR, MAY INSTITUTE A CIVIL ACTION IN THE
28 CIRCUIT COURT FOR ANY COUNTY SEEKING THE CIVIL PENALTY PROVIDED IN
29 PARAGRAPH (3) OF THIS SUBSECTION.

30 (3) FOR ANY CONTRIBUTION RECEIVED IN VIOLATION OF THIS
31 SECTION, THE COMMITTEE THAT RECEIVED THE CONTRIBUTION SHALL:

32 (I) REFUND THE CONTRIBUTION TO THE CONTRIBUTOR; AND

33 (II) PAY A CIVIL PENALTY OF \$1,000 AND THE AMOUNT OF THE
34 CONTRIBUTION.

35 26-11.

36 (1) (1) A candidate and treasurer designated by that candidate, the chairman
37 and treasurer of a candidate's committee, or a slate of candidates, who are required to
38 file reports or statements under subsection (a), (d)(1), or (e)(3) of this section with the
39 State Administrative Board of Election Laws, shall also file a single copy of all reports,
40 statements, and affidavits required under this section with the local election board of the

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1 county or Baltimore City where the candidate resides. The report to the local [election]
2 board [shall]:

3 (I) SHALL be filed according to the schedule set forth in subsections
4 (a) and (d) of this section;

5 (II) SHALL BE IN THE ELECTRONIC STORAGE FORMAT REQUIRED
6 BY THE STATE ADMINISTRATIVE BOARD OF ELECTION LAWS UNDER § 26-12(C) OF
7 THIS ARTICLE OR IN PAPER COPY, AS DIRECTED BY THE LOCAL BOARD; and

8 (III) [shall not be] IS NOT subject to the requirements relating to the
9 assessment of a late filing fee provided under § 26-13 of this article.

10 (2) This subsection does not apply to candidates for the offices of Governor,
11 Lieutenant Governor, Comptroller, Attorney General, or judge of an appellate court.

12 26-12.

13 (a) The forms for the "Report or Statement of Campaign and Election
14 Contributions and Expenditures" and the "Schedule of Receipts and Disbursements"
15 shall be prescribed by the State Administrative Board of Election Laws.

16 (b) A candidate or candidates for election or elected to a public office of the
17 United States shall file a copy of each statement required by federal laws or regulations
18 with the State Administrative Board of Election Laws. Additional campaign report filings
19 by the candidate are not required.

20 (C) (1) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, ALL CAMPAIGN
21 FINANCE REPORTS REQUIRED UNDER § 26-11 OF THIS ARTICLE WHICH MUST BE
22 FILED WITH THE STATE ADMINISTRATIVE BOARD OF ELECTION LAWS SHALL BE
23 SUBMITTED TO AND MAINTAINED BY THE STATE BOARD IN AN ELECTRONIC
24 STORAGE FORMAT.

25 (2) THE STATE ADMINISTRATIVE BOARD OF ELECTION LAWS SHALL
26 ACCEPT ANY CAMPAIGN FINANCE REPORT THAT IS SUBMITTED IN AN ELECTRONIC
27 STORAGE FORMAT WHICH MEETS THE CRITERIA SPECIFIED BY THE STATE BOARD.

28 (3) UPON REQUEST, THE STATE ADMINISTRATIVE BOARD OF ELECTION
29 LAWS SHALL:

30 (I) SUPPLY TO A PERSON WHO IS REQUIRED TO FILE REPORTS IN
31 AN ELECTRONIC STORAGE FORMAT THE COMPUTER SOFTWARE AND THE DISKS OR
32 OTHER MEDIA ON WHICH THE CAMPAIGN FINANCE INFORMATION IS TO BE
33 ENTERED; OR

34 (II) ON BEHALF OF THE PERSON REQUIRED TO FILE REPORTS IN
35 AN ELECTRONIC STORAGE FORMAT, ENTER ON A DISK OR OTHER MEDIUM THE
36 CAMPAIGN FINANCE INFORMATION SUBMITTED BY THAT PERSON.

37 (4) THE STATE BOARD MAY REFUSE TO ACCEPT OR PROCESS ANY
38 CAMPAIGN FINANCE REPORT OR CAMPAIGN FINANCE INFORMATION THAT IS
39 INCOMPLETE OR NOT SUBMITTED IN ACCORDANCE WITH THE REQUIREMENTS OF
40 THIS SECTION.

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1 (5) THE STATE ADMINISTRATIVE BOARD OF ELECTION LAWS SHALL
2 MAKE THE CAMPAIGN FINANCE INFORMATION THAT IS FILED WITH AND
3 MAINTAINED BY THE STATE BOARD IN AN ELECTRONIC STORAGE FORMAT WIDELY
4 AND EASILY ACCESSIBLE TO THE PUBLIC, UTILIZING ANY EXISTING PUBLIC OR
5 PRIVATE SYSTEMS FOR DATA DISSEMINATION, AND ON TERMS THAT THE STATE
6 BOARD CONSIDERS CONSISTENT WITH THE PURPOSES AND REQUIREMENTS OF THIS
7 ARTICLE.

8 (D) THE STATE ADMINISTRATIVE BOARD OF ELECTION LAWS SHALL ADOPT
9 REGULATIONS NECESSARY TO IMPLEMENT THIS SECTION.

10 **Article - State Government**

11 15-607.

12 (a) A statement that is required by § 15-601(a) of this subtitle shall contain
13 schedules disclosing the information and interests specified in this section, if known, for
14 the individual making the statement for the applicable period under this subtitle.

15 (e) (1) This subsection does not apply to a gift received from a member of the
16 immediate family, another child, or a parent of the individual.

17 (2) The statement shall include a schedule of each gift, specified in
18 paragraph (3) of this subsection, received during the applicable period:

19 (i) by the individual or by another entity at the direction of the
20 individual; and

21 (ii) directly or indirectly, from or on behalf of an entity that is:

22 1. a regulated lobbyist;

23 2. regulated by the State; or

24 3. otherwise an entity doing business with the State.

25 (3) The schedule shall include:

26 (i) each gift with a value of more than \$25, EXCEPT THAT THE
27 STATEMENT NEED NOT INCLUDE AS A GIFT ATTENDANCE AT A SPECIAL EVENT
28 THAT IS REPORTED BY A REGULATED LOBBYIST UNDER § 15-704(B)(2)(VI) OF THIS
29 TITLE; and

30 (ii) each of two or more gifts with a cumulative value of \$100 or more
31 received from one entity during the applicable period.

32 (4) For each gift subject to this subsection, the schedule shall include:

33 (i) the nature and value of the gift; and

34 (ii) the identity of the entity from which, directly or indirectly, the gift
35 was received.

36 (5) This subsection does not authorize any gift not otherwise allowed by law.

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1 15-704.

2 (a) (1) A regulated lobbyist shall file with the Ethics Commission, under oath
3 and for each registration, a separate report concerning the regulated lobbyist's lobbying
4 activities:

5 (i) by May 31 of each year, to cover the period from November 1 of
6 the previous year through April 30 of the current year; and

7 (ii) by November 30 of each year, to cover the period from May 1
8 through October 31 of that year.

9 (2) If the regulated lobbyist is not an individual, an authorized officer or
10 agent of the regulated lobbyist shall sign the report.

11 (3) If a prorated amount is reported as compensation, it shall be labeled as
12 prorated.

13 (b) A report required by this section shall include:

14 (1) a complete, current statement of the information required under §
15 15-703(b) of this subtitle;

16 (2) total expenditures in connection with influencing executive action or
17 legislative action in each of the following categories:

18 (i) total compensation paid to the regulated lobbyist, excluding:

- 19 1. expenses reported under this paragraph; and
20 2. salaries, compensation, and reimbursed expenses for the
21 regulated lobbyist's staff;

22 (ii) unless reported under subparagraph (i) of this paragraph:

- 23 1. office expenses of the regulated lobbyist; and
24 2. professional and technical research and assistance;

25 (iii) publications that expressly encourage communication with one or
26 more officials or employees;

27 (iv) witnesses, including the name of each and the fees and expenses
28 paid to each;

29 (v) meals and beverages for officials, employees, or members of the
30 immediate families of officials or employees;

31 (vi) special events, including parties, meals, athletic events,
32 entertainment, or other functions to which were invited all members of:

- 33 1. the General Assembly;
34 2. either house of the General Assembly; [or]

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1 3. a standing committee of the General Assembly, PROVIDED
 2 THAT THE PRESIDING OFFICER OF THE HOUSE OF DELEGATES OR SENATE SHALL BE
 3 DEEMED AN EX OFFICIO MEMBER OF ANY STANDING COMMITTEE OF THE
 4 PRESIDING OFFICER'S CHAMBER; OR

5 4. A COUNTY OR REGIONAL DELEGATION OF MEMBERS OF
 6 THE GENERAL ASSEMBLY THAT IS RECOGNIZED BY A PRESIDING OFFICER OF THE
 7 GENERAL ASSEMBLY;

8 (vii) 1. food, lodging, and scheduled entertainment of officials and
 9 employees for a meeting, if given in return for participation in a panel or speaking
 10 engagement at the meeting; and

11 2. if more than \$200 of the expenses reported in item 1 of this
 12 subparagraph are for any one official or employee at any meeting, the individual's name
 13 and the amount spent;

14 (viii) other gifts to or for officials, employees, or members of the
 15 immediate families of officials or employees; and

16 (ix) other expenses;

17 (3) as to expenditures reported in paragraph (2)(vi) and (vii) of this
 18 subsection, the date, location, and total expense of the regulated lobbyist for the event or
 19 meeting; and

20 (4) subject to subsections (d) and (e) of this section, the name of each
 21 official, employee, or member of the immediate family of an official or employee, to or for
 22 whom, during a reporting period, one or more gifts with a cumulative value of \$75 or
 23 more are given, regardless of whether a gift is attributable to more than one entity and
 24 whether or not in connection with lobbying activities, by the regulated lobbyist or any
 25 entity acting on behalf of the regulated lobbyist, however, except as provided in paragraph
 26 (2)(vii)2 of this subsection, expenses reported in paragraph (2)(vi) and (vii) of this
 27 subsection need not be allocated to an individual.

28 (c) (1) This subsection applies only to a regulated lobbyist, other than an
 29 individual, that is organized and operated for the primary purpose of attempting to
 30 influence legislative action or executive action.

31 (2) In addition to the other reports required under this section, a regulated
 32 lobbyist subject to this subsection shall report the name and permanent address of each
 33 entity that provided at least 5% of the regulated lobbyist's total receipts during the
 34 preceding 12 months.

35 (3) For the purpose of the reporting and registration requirements of this
 36 subtitle, receipts of a regulated lobbyist subject to this subsection include funds spent on
 37 the regulated lobbyist's behalf, at its direction, or in its name.

38 (d) (1) In addition to any other report required under this section, a regulated
 39 lobbyist shall file, with the report required by subsection (a) of this section, a report
 40 disclosing the name of any member of the General Assembly or member of the immediate
 41 family of a member of the General Assembly who has benefited during the reporting

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1 period from a gift of a ticket or admission to any event for which other persons are
2 charged a fee exceeding \$15, whether or not in connection with lobbying activities,
3 allowed under § 15-505(c)(2)(vii) of this title from the regulated lobbyist.

4 (2) The disclosure required by this subsection shall be under oath or
5 affirmation, on a form issued by the Ethics Commission, and shall include:

6 (i) the name and business address of the regulated lobbyist;

7 (ii) the name of each recipient of a ticket or admission;

8 (iii) the date and value of each gift of a ticket or admission, and the
9 identity of the entity or entities to which the gift is attributable; and

10 (iv) the total cumulative value of gifts of tickets or admissions,
11 calculated as to each recipient.

12 (3) The regulated lobbyist may:

13 (i) declare on the form required under paragraph (3) of this
14 subsection that a gift of a ticket or admission was given for purposes not related to the
15 regulated lobbyist's lobbying activities; and

16 (ii) explain the circumstances under which the gift was given.

17 (4) Gifts of tickets or admissions reported by a regulated lobbyist under this
18 subsection need not be counted or reported by the regulated lobbyist for purposes of
19 disclosure under subsection (b)(4) of this section.

20 (e) (1) (i) Subject to the provisions of subparagraph (ii) of this paragraph, in
21 addition to any other report required under this section, a regulated lobbyist shall file,
22 with the report required by subsection (a) of this section, a report disclosing the name of
23 any State official of the Executive or Legislative Branch or member of the immediate
24 family of a State official of the Executive or Legislative Branch who has benefited during
25 the reporting period from gifts of meals or beverages, whether or not in connection with
26 lobbying activities, allowed under § 15-505(c)(2)(i) of this title from the regulated
27 lobbyist.

28 (ii) The name of a member of the General Assembly or member of the
29 immediate family of a member of the General Assembly shall be disclosed under
30 subparagraph (i) of this paragraph only if the gift of a meal or beverage to the individual
31 costs \$15 or more.

32 (2) Gifts reported by name of recipient under subsection (b)(2)(vii) of this
33 section and special events listed under subsection (b)(2)(vi) of this section need not be
34 allocated for the purposes of disclosure under paragraph (1) of this subsection.

35 (3) The disclosure required by this subsection shall be under oath or
36 affirmation, on a form issued by the Ethics Commission, and shall include:

37 (i) the name and business address of the regulated lobbyist;

38 (ii) the name of each recipient of a gift of a meal or beverages;

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1 (iii) the date and value of each gift of a meal or beverages, and the
2 identity of the entity or entities to which the gift is attributable; and

3 (iv) the total cumulative value of gifts of meals or beverages, calculated
4 as to each recipient.

5 (4) The regulated lobbyist may:

6 (i) declare on the form required under paragraph (3) of this
7 subsection that a gift of a meal or beverages was given for purposes not related to the
8 regulated lobbyist's lobbying activities; and

9 (ii) explain the circumstances under which the gift of a meal or
10 beverages was given.

11 (5) Gifts of meals or beverages reported by a regulated lobbyist under this
12 subsection need not be counted or reported by the regulated lobbyist for purposes of
13 disclosure under subsection (b)(4) of this section.

14 (f) The Ethics Commission may require a regulated lobbyist to file any additional
15 report the Ethics Commission determines to be necessary.

16 15-707.

17 (a) In this section, "candidate" and "political committee" have the meanings
18 provided in Article 33, § 1-1(a) of the Code.

19 (b) This section applies only to a regulated lobbyist described in § 15-701(a)(1),
20 (2), or (3) of this subtitle who, [during the period specified in subsection (c) of this
21 section and] for the purpose of influencing legislative OR EXECUTIVE action OR ACTION
22 BY THE BOARD OF PUBLIC WORKS, communicates with [a member of or candidate for
23 election to] THE GOVERNOR, LIEUTENANT GOVERNOR, ATTORNEY GENERAL,
24 COMPTROLLER, OR MEMBER OF THE GENERAL ASSEMBLY, OR A CANDIDATE FOR
25 ELECTION TO THE OFFICE OF GOVERNOR, LIEUTENANT GOVERNOR, ATTORNEY
26 GENERAL, COMPTROLLER, OR MEMBER OF the General Assembly.

27 (c) The restrictions in this section apply from the starting date of the regulated
28 lobbyist's registration to the end of the calendar year in which the registration period
29 ends.

30 (d) (1) A regulated lobbyist who is subject to this section or a person acting on
31 behalf of the regulated lobbyist may not, for the benefit of [a member of] THE
32 GOVERNOR, LIEUTENANT GOVERNOR, ATTORNEY GENERAL, COMPTROLLER, OR
33 MEMBER OF THE GENERAL ASSEMBLY or candidate for election to the OFFICE OF
34 GOVERNOR, LIEUTENANT GOVERNOR, ATTORNEY GENERAL, COMPTROLLER, OR
35 MEMBER OF THE General Assembly:

36 (i) solicit or transmit a political contribution from any person,
37 including a political committee;

38 (ii) serve on a fund-raising committee or a political committee; or

39 (iii) act as a treasurer or chairman of a political committee.

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1 (2) This section does not prohibit a regulated lobbyist from:

2 (i) making a personal political contribution; or

3 (ii) informing any entity of a position taken by a candidate.

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