
By: **Delegates Bobo, Faulkner, Kittleman, Mandel, McIntosh, Pendergrass,
Pitkin, and Snodgrass**

Introduced and read first time: February 13, 1998
Assigned to: Commerce and Government Matters

A BILL ENTITLED

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
6 maximum amount of the contributions that such associated entities may make;
7 and generally relating to the attribution of campaign contributions made by
8 certain associated entities and the application of campaign finance contribution
9 limitations to such 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 (1997 Replacement Volume and 1997 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article 33 - Election Code
17 Section 26-9(g)
18 Annotated Code of Maryland
19 (1997 Replacement Volume and 1997 Supplement)

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

22 **Article 33 - Election Code**

23 26-9.

24 (d) (1) Except as provided in subsections (e) and (e-1) of this section, it is
25 unlawful for any individual, association, unincorporated association, corporation, or
26 any other entity either directly or indirectly, to contribute any money or thing of value
27 greater than \$4,000 to any candidate or political committee or to contribute money in

1 excess of \$100 except by check in any 4-year election cycle. Contributions may be
2 made by credit card, not to exceed \$100 per transaction, to any candidate or political
3 committee under this subsection. Total contributions by a contributor under this
4 subsection shall not exceed \$10,000 in any 4-year election cycle.

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

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

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

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

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

- 22 1. The check is written or dated; or
- 23 2. The cash or other thing of value is received.

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

27 (2) Except as provided in paragraph (3) of this subsection, during a
28 4-year election cycle the treasurer of a political committee or the treasurer of a
29 candidate may not directly or indirectly transfer any money greater than \$6,000 to
30 the treasurer or political committee of a candidate or any other political committee.

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

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

35 (ii) Transfers between and among a slate and its candidate
36 members; and

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
5 they are organized and operated in coordination and cooperation with each other or
6 otherwise conduct their operations and make their contribution decisions under the
7 control of the same individual or entity.

8 (5) The limitations on transfers to the treasurer or political committee of
9 a 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
13 to 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
23 CONSIDERED AS BEING MADE BY A SINGLE CONTRIBUTOR IF AN ENTITY and any
24 wholly owned subsidiary of the [corporation] ENTITY or 2 or more [corporations
25 owned by the same stockholders shall be considered as being made by 1 contributor]
26 OF SUCH 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, 1998.